

## EXHIBIT "E"



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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON

IN AND FOR THE COUNTY OF KING

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MARK PHILLIPS,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	No. 13-2-07233-5 SEA
	)	
CHAD and ELIZABETH RUDKIN,	)	
STEPHEN JAMES SCHWEICKERT, and	)	DEPOSITION UPON ORAL
JOHN and JANE DOES 1 THROUGH	)	EXAMINATION
4,,	)	OF
	)	ELIZABETH RUDKIN
Defendants.	)	

---

MARK PHILLIPS,	)
	)
Plaintiff,	)
	)
vs.	)
	)
STEPHEN JAMES SCHWEICKERT,	)
HUNTS POINT VENTURES, INC. and	)
HUNTS POINT VENTURE GROUP,	)
LLC,	)
	)
Defendants.	)

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9:34 a.m.

March 19, 2014

2033 Sixth Avenue, Suite 826

Seattle, Washington

Kellie A. Smith, CCR, RPR, CRR



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1 ELIZABETH RUDKIN, witness herein, having been  
2 duly sworn by the Certified  
3 Court Reporter, testified  
4 under oath as follows:  
5

6 MR. WEYTHMAN: Counsel, at the onset I'd  
7 like to just read something for the record.

8 In light of events that occurred during the  
9 deposition of Mrs. Rudkin's husband, I would like to  
10 reiterate that the scope of this deposition is limited  
11 to those subject areas relevant to your client's claims  
12 and to questions reasonably likely to lead to  
13 discoverable evidence. Questions and/or exhibits that  
14 focus on topics of a strictly personal nature, such as  
15 the death of my client's young daughter, are not only  
16 far outside the scope of permissible discovery, but they  
17 are patently distasteful. Should you continue to engage  
18 in such inappropriate behavior, I will instruct my  
19 client not to answer, and I will terminate this  
20 deposition immediately.

21 Go ahead.

22 MR. YURCHAK: I guess, for the record, I  
23 hope the understanding was there was no intent to raise  
24 the subject matter of the personal nature that was in  
25 that call. It was just that the relevant subject matter

1 was intertwined with the personal subject matter in that  
2 call. And my questions did not go towards any of the  
3 personal subject matter raised in that call.

4

5 EXAMINATION

6 BY MR. YURCHAK:

7 Q. Good morning.

8 A. Good morning.

9 Q. My name is Reed Yurchak. I'm the attorney  
10 for Mark Phillips. We're here today to take your  
11 deposition. Have you been deposed before?

12 A. No.

13 Q. And I would like to go over some ground rules  
14 so you have an understanding of the process and the  
15 procedure. I'll be asking you questions. My questions  
16 and answers will be recorded by the court reporter.  
17 Therefore it's important that any answers be verbal, and  
18 not nonverbal, shake of the head, or like "mm-hm," that  
19 people sometimes do. Is that okay?

20 A. Yes.

21 Q. Since it's also being recorded, it's  
22 important that we don't talk over each other, that I  
23 finish my question before you answer, and likewise, that  
24 I don't start asking a question before you have finished  
25 your answer. Is that understood?



1 A. (Witness nods head affirmatively).

2 Q. You just took an oath to tell the truth. Do  
3 you understand that this oath is the same oath that  
4 would -- that you would take in a court of law, and the  
5 meaning is the same?

6 A. I do.

7 Q. Breaks are permitted during a deposition. If  
8 you ever feel like you would like one, please simply so  
9 indicate. But please don't take a break during the line  
10 of questioning or answering. During the deposition  
11 you're permitted to talk to your attorney and seek  
12 advice with respect to matters of privileged  
13 communications. Privileged communication under the law  
14 is something that only you and your attorney have  
15 shared. Otherwise, you're not permitted to seek advice  
16 or consult with your attorney on how to answer a  
17 question. Do you understand that?

18 A. I do.

19 Q. Because it's critical that the record reflect  
20 that your answers are full and complete and made with  
21 your complete awareness, I'd like to ask if you're under  
22 any sort of medications or drugs that may influence your  
23 cognitive ability, your ability to understand me, and to  
24 answer questions?

25 MR. WEYTHMAN: Objection. Calls for a



1 legal conclusion, calls for her opinion.

2 Q. (BY MR. YURCHAK) Are you under any sort of  
3 medications that may affect your ability to participate  
4 today in this deposition?

5 A. No.

6 Q Are you currently sick?

7 A. No.

8 Q. Is there any reason why you could not give  
9 complete and accurate testimony today?

10 A. No.

11 Q. For the record, would you please state your  
12 full name?

13 A. Elizabeth Ann Rudkin.

14 Q. And where do you currently reside?

15 A. In Bonney Lake.

16 Q. Do you have any plans to move within the next  
17 year?

18 A. Not that I know of.

19 Q. Starting with postsecondary education, can  
20 you explain where you went to school?

21 MR. WEYTHMAN: Objection. Vague.

22 THE WITNESS: Where did I go to school  
23 after high school?

24 Q. (BY MR. YURCHAK) Yes.

25 A. I went to Washington State University.

1 Q. Okay. And did you graduate from there?

2 A. I did.

3 Q. And what degree did you receive?

4 A. International business.

5 Q. Okay. And did you have -- you said  
6 international business. Was that the specialty that you  
7 received in the business degree?

8 MR. WEYTHMAN: Objection. Leading.  
9 Vague. What do you mean, "specialty"?

10 Q. (BY MR. YURCHAK) Would you agree that a  
11 business degree could have different specialties?

12 MR. WEYTHMAN: Objection. Vague. What  
13 do you mean by "specialty"?

14 Q. (BY MR. YURCHAK) Would you agree that a  
15 business degree may have different specialties?

16 A. No. That was the name of the degree.

17 Q. Did you have any -- did you acquire any  
18 education in corporate finance?

19 A. A course.

20 Q. Did you acquire any education in your degree  
21 in accounting?

22 A. I took a course.

23 Q. How many courses?

24 A. I can't recall.

25 Q. Did you acquire any education in marketing?

1 A. Again, I took a course.

2 Q. Okay. And did you receive any education  
3 after Washington State University?

4 A. I studied Italian in Italy at the university.

5 Q. Which university did you go to in Italy?

6 A. It was in Italy. It was -- I can't remember  
7 the name of the university. It wasn't an Italian  
8 university. It was an American university in Italy.

9 Q. Okay. How long were you there at that  
10 institution?

11 A. I can't be sure.

12 Q. Did you receive any sort of certification or  
13 degree?

14 A. No.

15 Q. And any further education after that?

16 A. Nothing where I earned a degree.

17 Q. Was there any sort of courses that you took  
18 related to any -- where you may have received any sort  
19 of type of certification?

20 A. Are you talking relevant to business?

21 Q. No. Anything.

22 A. Sure.

23 Q. What was that?

24 A. I'm a ski instructor.

25 Q. Okay.

1 A. I have a ski instructor certification.

2 Q. That required you to take courses to receive  
3 that certification?

4 A. Yes.

5 Q. Any other types of certifications that you've  
6 received?

7 A. Human-animal interaction courses.

8 Q. Okay. And what was that certification  
9 related to?

10 A. It's related to non-profit work.

11 Q. Okay. Are you associated with a non-profit?

12 A. I'm associated with several non-profits.

13 Q. What are those non-profits?

14 A. I prefer not to answer. I feel like in the  
15 past, my answers for personal information have been  
16 sabotaged. So is it important that you have that  
17 information?

18 Q. I guess all I can say is that you're free --  
19 all I can do is ask you a question, and it's your choice  
20 how to answer.

21 A. I'd prefer not to answer.

22 MR. WEYTHMAN: Counsel, can you  
23 enunciate the relevance of asking Ms. Rudkin about her  
24 non-profit associations?

25 MR. YURCHAK: I think it's a fairly

1 standard questioning to inquire into a person's both  
2 educational and work background, whether it's a  
3 non-profit or for profit.

4 MR. WEYTHMAN: Well, we'll object as to  
5 relevance. Go ahead and answer the question.

6 MR. YURCHAK: And, again, you can answer  
7 however you like. I mean...

8 THE WITNESS: I do volunteer work for a  
9 variety of non-profit organizations. Camp Korey, Run of  
10 Hope, Peyton's Ranch. There's another one through  
11 Children's Hospital. I can't recall the exact name.

12 Q. (BY MR. YURCHAK) What type of functions do  
13 you perform in those non-profits?

14 MR. WEYTHMAN: Objection. Ambiguity.  
15 What do you mean by "functions"?

16 Q (BY MR. YURCHAK) Are you working in -- I  
17 assume are you volunteering your time?

18 A. I am.

19 Q. How are you volunteering your time,  
20 performing what sort of functions?

21 MR. WEYTHMAN: Objection. Compound.

22 THE WITNESS: Each role is different at  
23 each organization.

24 Q (BY MR. YURCHAK) Do you ever work in the  
25 business office for any of the non-profits?

1 MR. WEYTHMAN: Objection. Leading.

2 THE WITNESS: I'm not exact on what you  
3 mean by "business office." I have worked in intake for  
4 patient intake.

5 Q (BY MR. YURCHAK) Okay. Were you ever in the  
6 role of managing the business affairs of any of the  
7 non-profits?

8 A. No.

9 MR. WEYTHMAN: Objection, vague.

10 Q (BY MR. YURCHAK) No?

11 A. No.

12 Q. And after Italy -- well, I should just ask,  
13 after you received your degree in international  
14 business, what was your first paid employment position?

15 A. I was a front desk clerk at the Adventure  
16 Travel Center.

17 Q. Where was that?

18 A. On Caserma Ederle in Vicenza, Italy.

19 Q. And how long did that last approximately?

20 A. I can't be sure. Several months. And then I  
21 was promoted.

22 Q. Okay. And what were you promoted to?

23 A. Program coordination.

24 Q. How long did you stay in that role?

25 A. Throughout the rest of my time there.

1 Q. And when did your time end there?

2 A. Summer of 2001.

3 Q. Okay. And what was your next employment, or  
4 what was your next position that was paid?

5 MR. WEYTHMAN: Objection.

6 Unintelligible.

7 Q. (BY MR. YURCHAK) What was your next  
8 employment position for which you received compensation?

9 A. I worked for a non-profit in Lawton,  
10 Oklahoma.

11 Q. You received compensation for that?

12 A. I did.

13 Q. How long did that last?

14 A. I can't be sure.

15 Q. What was your -- what was your position  
16 there?

17 A. I was hired as an assistant. I moved on to  
18 become their health and safety officer, and the employee  
19 assistance program manager.

20 Q. What kind of duties did you perform as a  
21 health and safety officer?

22 A. Inspections on various locations.

23 Q. Okay.

24 A. Relating to health and safety.

25 Q. And after that position, what was your next



1 paid employment job?

2 A. We moved to Redding, California, and I worked  
3 for OptionCare, a home infusion pharmacy, and I was the  
4 supply department manager, I think was my title.

5 Q. And what kind of duties did you perform in  
6 that role?

7 A. Managing, ordering of products, medications,  
8 supplies; ensuring delivery of medications and supplies  
9 to patients.

10 Q. Okay. Were you involved in any accounting  
11 functions at that role?

12 MR. WEYTHMAN: Objection. Vague. What  
13 do you mean by "functions"?

14 Q (BY MR. YURCHAK) Were you involved in any  
15 accounting functions in that role?

16 A. I wasn't involved at the accountant level.

17 Q. And to what period of time does that get us  
18 to now with you working at that position?

19 MR. WEYTHMAN: Objection. Vague.  
20 Unintelligible.

21 Q (BY MR. YURCHAK) Do you recall what year you  
22 stopped working there?

23 A. 2004.

24 Q. Okay. And I think I mentioned -- I think I  
25 heard you use the word, "We moved to Redding." Who in

1 reference was "we" to?

2 A. My husband.

3 Q. And who's your husband?

4 A. Chad Rudkin.

5 Q. And how long have you been married?

6 A. Since 1998.

7 Q. And so where did you go -- what was your next  
8 position after the job in Redding?

9 A. Mother.

10 Q. Okay. How long did that last?

11 A. Strange question.

12 Q. That is a strange question. How long -- what  
13 period of time passed -- let me rephrase that. After  
14 becoming a mother, did you have a paid employment  
15 position?

16 A. I did.

17 Q. And what was that first position?

18 A. I worked for J&M Management.

19 Q. Okay. And what does J&M Management do?

20 A. We manage homeowner associations.

21 Q. And what was your role there?

22 A. I was an account manager.

23 Q. And what does that mean?

24 A. I managed homeowner associations.

25 Q. What kind of functions did you perform in

1 managing homeowner associations?

2 A. I attended board meetings. I ensured that  
3 the homeowners' associations was in compliance with  
4 their CC&Rs.

5 Q. Would you agree that you have some  
6 familiarity with the -- with how organizations run board  
7 meetings?

8 MR. WEYTHMAN: Objection.  
9 Mischaracterizations the witness's testimony. Leading.

10 THE WITNESS: Can you repeat?

11 Q. (BY MR. YURCHAK) Would you agree that you  
12 have some familiarity with how organizations or how a  
13 company conducts board meetings?

14 A. Limited. As it were, per homeowners'  
15 associations, is run by homeowners who don't necessarily  
16 have proper knowledge of how to run a board meeting. So  
17 I would answer that as limited.

18 Q. Okay. Were you ever involved in any other  
19 company's board meetings, other than Hunts Point  
20 Ventures?

21 MR. WEYTHMAN: Objection. Assumes facts  
22 not in the record.

23 THE WITNESS: Not that I remember.

24 Q (BY MR. YURCHAK) Okay. And what period of  
25 time were you at J&M Management?

1 A. I can't be -- I can't be sure.

2 Q. Can you recall approximately what year that  
3 position terminated?

4 A. I believe it was the spring of 2010.

5 Q. Okay. And did you have any paid employment  
6 positions following J&M?

7 A. I've been paid to be a ski instructor.

8 Q. Okay. And when was that?

9 A. I was paid in 2012 and 2013 and 2014.

10 Q. Okay. And have you had any other positions  
11 other than -- any other employment positions from which  
12 you received compensation besides what you've already  
13 mentioned?

14 A. I don't believe so.

15 Q. Okay. Prior to Hunts Point Ventures, have  
16 you ever served as a corporate officer in any company?

17 MR. WEYTHMAN: Objection. Foundation.  
18 Assumes facts not in the record.

19 THE WITNESS: Are you asking prior to my  
20 becoming an officer?

21 Q (BY MR. YURCHAK) Prior to any involvement in  
22 Hunts Point Ventures, did you ever serve in any capacity  
23 as a corporate officer with any company?

24 MR. WEYTHMAN: Objection. Vague. What  
25 do you mean by "involvement"?

1 MR. YURCHAK:

2 THE WITNESS: Not prior to any  
3 involvement.

4 Q. Prior to your involvement in Hunts Point  
5 Ventures, have you ever been a shareholder of any  
6 private company?

7 MR. WEYTHMAN: Objection. Vague. What  
8 do you mean by "involvement"?

9 Q. (BY MR. YURCHAK) Have you ever been a  
10 shareholder of any private company prior to Hunts Point  
11 Ventures?

12 A. No.

13 MR. WEYTHMAN: Objection. Compound.  
14 There's still the question pending.

15 MR. YURCHAK: Okay. I will strike the  
16 question that was pending.

17 Q (BY MR. YURCHAK) Have you ever been involved  
18 in organizing the accounting books for any company prior  
19 to Hunts Point Ventures?

20 MR. WEYTHMAN: Objection. Vague. What  
21 do you mean by "prior to Hunts Point Ventures"?

22 THE WITNESS: Can you be more clear  
23 about the timing?

24 Q. (BY MR. YURCHAK) Prior to your involvement in  
25 Hunts Point Ventures, any point?

1 A. Aside from personal finances, no.

2 Q. And with respect to personal finances, what  
3 did you mean by that?

4 A. What did I mean by "personal finances"?  
5 Managing our personal finances is what I meant.

6 Q. Okay. And how did you manage your personal  
7 finances?

8 MR. WEYTHMAN: Objection. Can you  
9 define why this is relevant?

10 MR. YURCHAK: It goes -- I believe it is  
11 relevant.

12 Q. (BY MR. YURCHAK) What sort of things would  
13 you do in managing your personal finances?

14 A. Pay bills.

15 Q. Would you prepare your own taxes?

16 A. I do.

17 MR. WEYTHMAN: Objection. Leading.

18 Q. (BY MR. YURCHAK) I'm sorry. I couldn't hear  
19 your answer. And this may have been something he  
20 advised you of. As you can tell, he's making frequent  
21 objections, so it would be helpful to pause after a  
22 question to let the objection be noted for the record.

23 I asked if you prepared your own taxes.

24 A. I do prepare our taxes.

25 Q. Okay. You don't have -- do you have -- is

1 that something that you've done for many years?

2 MR. WEYTHMAN: Objection. Ambiguous.

3 What do you mean by "many years"?

4 THE WITNESS: A few years.

5 Q (BY MR. YURCHAK) Okay.

6 A. I can't be specific as to how many.

7 Q. Does that mean that some years you did not  
8 prepare your own taxes?

9 A. Yes.

10 Q. And would you use the services of an  
11 accountant?

12 A. Yes.

13 Q. Okay. Were you ever involved in preparing or  
14 helping to prepare the taxes for any of the non-profit  
15 organizations that you mentioned?

16 A. No.

17 (Exhibit No. 1 marked  
18 for identification.)

19 Q. Now, what was your position in Hunts Point  
20 Ventures?

21 MR. WEYTHMAN: Objection. Lacks  
22 foundation. Assumes facts not in the record.

23 Q (BY MR. YURCHAK) Did you have any sort of  
24 position at Hunts Point Ventures?

25 A. I did.

1 Q. And what was that position?

2 A. Corporate secretary.

3 Q. Did you hold any other positions?

4 A. I can't recall.

5 Q. Do you recall if you were the treasurer of  
6 Hunts Point Ventures?

7 A. It's possible. I can't recall.

8 Q. Do you recall if you were the chief financial  
9 officer of Hunts Point Ventures?

10 A. I believe I was.

11 Q. And you took some time to try to recollect if  
12 you were the chief financial officer. Why is that? Why  
13 did it take you time to recall if you were the chief  
14 financial officer?

15 A. We were a very small entity operating as a  
16 husband and wife.

17 Q. Mm-hm.

18 A. So it was a less formal environment.

19 Q. Okay. What did you understand your role to  
20 be in that environment?

21 MR. WEYTHMAN: Objection. Vague.

22 Q. (BY MR. YURCHAK) What did you understand your  
23 role to be with respect to Hunts Point Ventures in that  
24 environment?

25 A. Can you give me a time frame you're referring



1 to?

2 Q. No. Just generally.

3 A. After becoming shareholders, my role was to  
4 help manage HPV.

5 Q. Okay. And in what ways did you help manage  
6 HPV?

7 A. I weeded through many documents and financial  
8 information. Had a difficult time understanding what I  
9 was looking at, so I sought professional guidance,  
10 professional services to assist me.

11 Q. Now, you mentioned Hunts Point Ventures was a  
12 small entity; is that correct?

13 A. Yes.

14 Q. Consisted of you and your husband; is that  
15 correct?

16 A. If you're talking about the time --

17 Q. During the time of your involvement --

18 A. -- that we were involved, then yes.

19 Q. And you defined your role as trying to make  
20 sense of the documents that were in the possession of  
21 Hunts Point Ventures?

22 A. Correct.

23 Q. Was your husband involved at all with what  
24 you were doing?

25 A. Yes.

1 Q. How so?

2 MR. WEYTHMAN: Objection. Calls for  
3 speculation.

4 Q. (BY MR. YURCHAK) In terms of managing the  
5 documents, how was Chad Rudkin involved?

6 MR. WEYTHMAN: Same objection.

7 THE WITNESS: I sought his guidance in  
8 interpreting the documents.

9 Q (BY MR. YURCHAK) Okay. Was he involved at  
10 all in helping you manage the documents?

11 A. Yes.

12 Q. Okay. And he provided guidance in terms of  
13 what something was?

14 MR. WEYTHMAN: Objection. Assumes facts  
15 not in the record. Mischaracterizes the witness's  
16 testimony.

17 Q. (BY MR. YURCHAK) Helped you make sense to  
18 understand what something might be; is that correct?

19 A. Yes.

20 Q. Okay. And why did you seek -- let me go  
21 back.

22 Now, the exhibit in front of you, do you  
23 recognize -- can you identify this exhibit?

24 A. Not sure.

25 Q. Are you familiar with any of the items listed

1 in this exhibit?

2 MR. WEYTHMAN: Objection. Vague.

3 Q. (BY MR. YURCHAK) As you look at it, you can  
4 ignore the yellow highlights. It has no significance.

5 A. Looks to be a list of HPV-related contents.

6 Q. Did you -- are you familiar with these items?

7 A. Without reading through each one, they look  
8 familiar.

9 Q. And how is it that you're familiar with them?

10 A. They look like a list of documents that  
11 belonged to HPV.

12 Q. Okay. And do these documents -- can you  
13 represent that these documents are the corporate  
14 documents of Hunts Point Ventures?

15 A. If this is a list of the documents that I put  
16 into a box that was then transferred to the  
17 receivership, then those are the documents that I had in  
18 my possession.

19 Q. Okay. So at some point in time, you  
20 assembled all of the documents of Hunts Point Ventures  
21 to provide to the receiver; is that correct?

22 A. No.

23 Q. No?

24 A. That is not correct.

25 Q. What is correct? What did you do after

1 assembling the documents of Hunts Point Ventures?

2 MR. WEYTHMAN: Objection. Assumes facts  
3 not in the record. Mischaracterizes the witness's  
4 testimony.

5 Q. (BY MR. YURCHAK) You stated that you  
6 assembled the documents of Hunts Point Ventures; is that  
7 right?

8 MR. WEYTHMAN: Objection.  
9 Mischaracterizes the witness's testimony.

10 THE WITNESS: Can you be more specific  
11 about what you're asking?

12 MR. YURCHAK: Could you read back her  
13 answer when she said she assembled the documents to be  
14 delivered to the receiver?

15 (Answer on Page 25,  
16 Lines 14 through 17,  
17 read by the reporter.)  
18

19 Q. (BY MR. YURCHAK) So those documents that you  
20 referred to in that answer, were those the entirety of  
21 the corporate documents of Hunts Point Ventures?

22 A. I can't be sure.

23 Q. Why can't you be sure?

24 A. Because I didn't prepare the documents to be  
25 sent to receivership.

1 Q. Who prepared the documents to be sent to the  
2 receiver?

3 A. They weren't prepared to be sent to the  
4 receivership. They were prepared for the purpose of  
5 putting them in one place.

6 Q. Who prepared them?

7 A. I did.

8 Q. And you said they were prepared for the  
9 purpose of putting them in one place?

10 A. Yes.

11 Q. What do you mean by that?

12 A. A location in my office.

13 Q. Okay. And where is that office?

14 A. At my home.

15 Q. And did you prepare those documents for that  
16 purpose?

17 MR. WEYTHMAN: Objection. Vague.  
18 Ambiguous.

19 THE WITNESS: For what purpose?

20 Q. (BY MR. YURCHAK) Of keeping them in one  
21 place.

22 A. Yes, I did.

23 Q. So you accomplished your task?

24 A. I wouldn't say it was accomplished. It  
25 wasn't complete.

1 Q. How do you know it's not complete?

2 A. Because I never intended for it to be  
3 complete. It was for the purpose of putting the  
4 documents that I had that were loose into one place.

5 Q. Did you ever have any intent to create a  
6 complete list of corporate documents for Hunts Point  
7 Ventures?

8 A. I intended to, yes.

9 Q. Did you ever -- were you ever able to do  
10 that?

11 A. I was not.

12 Q. Why is that?

13 A. As I dug through the material, I wasn't able  
14 to make complete sense of the materials that I had in my  
15 possession.

16 Q. In what way could you not make sense of it?

17 MR. WEYTHMAN: Objection. Vague.

18 Q. (BY MR. YURCHAK) Are you able to clarify your  
19 answer in what way you could not make sense of the  
20 information?

21 A. I needed further clarification to identify  
22 documents in my possession.

23 Q. Do you feel that the problem you were having  
24 was in identifying documents, or was the problem you  
25 were having in making sure you had all the documents of

1 the corporation?

2 MR. WEYTHMAN: Objection. Leading.  
3 Argumentative.

4 THE WITNESS: Can you re-ask that?

5 Q (BY MR. YURCHAK) I think you stated that  
6 you're not sure if the documents were the complete  
7 corporate records of Hunts Point Ventures. Is that  
8 correct?

9 A. That's correct.

10 Q. What's the basis of your knowledge that it  
11 was not a complete set of corporate records for Hunts  
12 Point Ventures?

13 MR. WEYTHMAN: Objection.  
14 Mischaracterizes the witness's testimony.

15 THE WITNESS: There were gaps in  
16 information that I didn't know the answers to.

17 Q. (BY MR. YURCHAK) Did it appear to you as if  
18 documents were missing?

19 MR. WEYTHMAN: Objection. Calls for  
20 speculation.

21 THE WITNESS: I couldn't be sure.

22 Q (BY MR. YURCHAK) Do you feel it was part of  
23 your duties as secretary of Hunts Point Ventures to make  
24 sure the corporate records of Hunts Point Ventures were  
25 complete?

1 MR. WEYTHMAN: Objection. Calls for  
2 legal conclusion.

3 THE WITNESS: I was attempting to get  
4 the legal and corporate records complete.

5 Q (BY MR. YURCHAK) And I think you stated that  
6 you felt you were not able to do so; is that correct?

7 A. No. Let me rephrase. I was in the process  
8 of attempting to do so.

9 Q. Why were you not able to complete that  
10 process?

11 MR. WEYTHMAN: Objection. Asked and  
12 answered.

13 THE WITNESS: I was unable to complete  
14 the process because I was in the middle of  
15 investigating, through the hired professional services  
16 of Clark Nuber and our attorney.

17 Q (BY MR. YURCHAK) Okay. And was it because  
18 you retained professional services that you were not  
19 able to complete your review of the corporate records of  
20 Hunts Point Ventures?

21 MR. WEYTHMAN: Objection.  
22 Mischaracterizes the witness's testimony.

23 THE WITNESS: We hadn't completed our  
24 process of working together.

25 Q (BY MR. YURCHAK) What kept you and Clark



1 Nuber from completing the process of working together?

2 A. I can't say. It simply didn't have enough  
3 time to complete the process.

4 Q. Would you then say that the process was left  
5 not complete?

6 A. Yes.

7 Q. Did you take any steps, realizing that the  
8 process was not complete, to complete the process?

9 A. Yes.

10 Q. What were those steps that you took?

11 A. We hired Clark Nuber's legal accounting team  
12 to aid in assisting and interpreting documentation.

13 Q. Okay. And what was the result of that?

14 A. It was open-ended.

15 Q. And what do you mean by that?

16 A. We never -- at the time I was -- had an  
17 active role in HPV. We didn't complete the accounting  
18 process because we didn't have final answers and  
19 conclusions regarding the transactions and documents in  
20 our possession.

21 Q. Okay. Would you agree -- okay. Did you ever  
22 complete the process?

23 MR. WEYTHMAN: Objection. Asked and  
24 answered. Also vague and ambiguous as to what the  
25 process refers to.

1 Q (BY MR. YURCHAK) Are you able to represent  
2 that the corporate records of Hunts Point Ventures have  
3 now been put into order?

4 MR. WEYTHMAN: Objection. Vague and  
5 ambiguous. Is counsel asking if she has the physical  
6 ability to represent?

7 THE WITNESS: I can't confirm that the  
8 corporate records were in perfect order.

9 Q (BY MR. YURCHAK) Okay. Was Clark Nuber --  
10 okay. At some point -- I believe you said you could not  
11 complete the process because there was gaps in the  
12 information that you needed to provide to Clark Nuber;  
13 is that correct?

14 A. Correct.

15 Q. What steps did you take to try to fill in  
16 those gaps? Define the information that was missing.

17 A. I reached out to those associated with HPV in  
18 the past to ask questions and locate proper  
19 documentation.

20 Q. Which people do you recall reaching out to?

21 A. Steve Schweickert.

22 Q. Any others?

23 A. John Du Wors, Mark, naturally Chad, because I  
24 lived with him.

25 Q. Did you reach out to Sandy Hoover?

1 A. No.

2 Q. Did you reach out to Jennifer Schweickert?

3 A. Yes.

4 Q. In what ways?

5 A. We telephoned her. We invited her to a  
6 shareholder meeting to help us identify contracts and  
7 understand transactions made prior to our being  
8 shareholders or officers of HPV.

9 Q. Do you recall why you needed to reach out to  
10 her?

11 A. Yes. We needed clarification on the  
12 transactions she made with Steve.

13 Q. Do you recall why you needed the  
14 clarification?

15 A. Because we didn't have any documenting  
16 evidence of any transactions.

17 Q. Did you understand at that time that she had  
18 given money to Hunts Point Ventures?

19 MR. WEYTHMAN: Objection. Leading.

20 THE WITNESS: I saw in the financial  
21 records a deposit had been made.

22 Q. (BY MR. YURCHAK) Okay. And were you able --  
23 prior to reaching out to her, were you able to find any  
24 supporting documentation for that deposit?

25 A. No.

1 Q. Did you ever find or were provided with any  
2 supporting documentation for that transaction?

3 A. "Ever" meaning up until this very moment,  
4 yes. At the time I was attempting to put the  
5 transactions together for accounting and financial  
6 reasons, I did not.

7 Q. Okay. Did you ever ask Steve Schweickert  
8 about that transaction?

9 A. I did.

10 Q. And do you recall what he said about it?

11 A. Not exactly.

12 Q. Did you ever ask why there was no supporting  
13 documentation in the records that you had?

14 A. Yes.

15 Q. Do you recall his answer?

16 A. I don't.

17 Q. Were there -- do you recall how many -- were  
18 there any other -- well, now, do you recall how you  
19 instructed Clark Nuber to book the Jennifer Schweickert  
20 transaction?

21 MR. WEYTHMAN: Objection. Leading.  
22 Assumes facts not in the record. Vague. Ambiguous.

23 THE WITNESS: I don't recall instructing  
24 Clark Nuber. I handed them a whole stack of documents  
25 and asked them to try to make sense of it.

1 Q. (BY MR. YURCHAK) Do you recall if you had  
2 received the documentation regarding the Jennifer  
3 Schweickert money at the time you handed it to Clark  
4 Nuber?

5 A. Do I recall? Yes, I recall.

6 Q. Was that document -- or one of those  
7 documents that was provided to Clark Nuber to make sense  
8 of?

9 MR. WEYTHMAN: Objection.  
10 Unintelligible. Assumes facts not in the record. Do  
11 you understand the question?

12 THE WITNESS: Are you asking was  
13 Jennifer Schweickert's transaction documentation  
14 provided to Clark Nuber?

15 Q. (BY MR. YURCHAK) Yes.

16 A. I don't believe so.

17 Q. At any point in time was that documentation  
18 regarding Jennifer Schweickert's transaction provided to  
19 Clark Nuber?

20 A. I don't recall.

21 Q. At some point in time did you -- at what  
22 point in time did you find -- at what point in time did  
23 you acquire or see the documentation regarding Jennifer  
24 Schweickert's transaction?

25 A. I don't remember at what point.

1 Q. Do you agree that you did at some point  
2 review that documentation?

3 A. I have seen documentation, incomplete, not  
4 signed, and a variety of documentation at that.

5 Q. Where did that documentation come from?

6 A. I believe it came from Steve Schweickert.

7 Q. Was it -- did you see it after you had  
8 engaged Clark Nuber?

9 A. Yes.

10 Q. How much longer in time did you see it after  
11 engaging Clark Nuber?

12 MR. WEYTHMAN: Objection.

13 Unintelligible.

14 THE WITNESS: I can't be sure.

15 Q (BY MR. YURCHAK) Did you make any effort to  
16 provide that information to Clark Nuber?

17 A. I can't be sure.

18 Q. And why is that?

19 A. The documentation I saw was incomplete, and I  
20 simply can't recall if we provided it to them or not  
21 because I can't remember if I saw it while I was still  
22 working with Clark Nuber.

23 Q. Do you feel you would have had an obligation  
24 to accurately reflect the accounting of that money once  
25 you acquired the documentation?

1 MR. WEYTHMAN: Objection. Calls for  
2 legal conclusion. Speculation.

3 THE WITNESS: I never had in my  
4 possession legally signed contracts.

5 Q. (BY MR. YURCHAK) Do you recall what you had  
6 -- what was in your possession?

7 A. At some point in time I had in my possession  
8 two documents that appeared to be financial  
9 transactions, both incomplete with signatures.

10 Q. Both incomplete with signatures?

11 A. Both incomplete, as in they did not have the  
12 signatures.

13 Q. Are you -- is your testimony that those  
14 documents were blank?

15 A. There was one --

16 MR. WEYTHMAN: Objection.  
17 Mischaracterizes the witness's testimony.

18 Q. (BY MR. YURCHAK) I'm asking you to clarify  
19 what you meant by --

20 A. I saw one signature on a contract.

21 Q. Okay. And whose signature did you see?

22 A. Steve Schweickert's.

23 Q. And because of that you felt the  
24 documentation was incomplete?

25 A. The documentation was incomplete, and there

1 were two documents.

2 Q. On the second to last page of Exhibit 1,  
3 there are, on bullet points one, two, three, four, and  
4 five, does that help refresh your recollection about the  
5 documents that we're talking about?

6 A. I'm sorry, what page?

7 Q. The second to last page of Exhibit 1.

8 A. Which one?

9 Q. The fourth and fifth bullet point.

10 A. What are you asking?

11 Q. Does that help refresh your recollection  
12 about the documents we're talking about?

13 A. No. Doesn't refresh anything.

14 Q. When you see on the fifth bullet point that  
15 there's a promissory note between HPV and Jennifer  
16 Schweickert that's unsigned an undated --

17 A. Yes, that's exactly what I read.

18 Q. Does that help refresh your recollection  
19 about the documents that we're talking about?

20 MR. WEYTHMAN: Objection. Leading.  
21 Argumentative.

22 Q. (BY MR. YURCHAK) When you reference the  
23 document that was unsigned?

24 MR. WEYTHMAN: Lack of foundation.  
25 Still don't know where this document came from.



1 THE WITNESS: I'm not sure what you're  
2 asking.

3 Q. (BY MR. YURCHAK) Do you see on bullet point 4  
4 that there's a duplicate entry for promissory note,  
5 joint participation agreement between HPV and Jennifer  
6 Schweickert?

7 A. I do.

8 Q. Do you see that there's no notation that that  
9 document was unsigned and undated?

10 A. I do.

11 Q. Given that you've provided these documents  
12 for delivery to the receivership, what's your  
13 explanation for why one entry notes that the document is  
14 unsigned and undated but the other entry does not?

15 MR. WEYTHMAN: Objection.  
16 Mischaracterizes the witness's testimony. Calls for  
17 speculation. Lack of foundation. And any number of  
18 other objections.

19 THE WITNESS: I didn't write this. I  
20 can't be sure.

21 Q (BY MR. YURCHAK) You did testify that you --  
22 these documents came from you; is that correct?

23 MR. WEYTHMAN: Objection.  
24 Mischaracterizes the witness's testimony.

25 THE WITNESS: That's not true. I said

1 that it appears to be a list of documents.

2 Q (BY MR. YURCHAK) That what?

3 A. That went from -- from myself to Foster  
4 Pepper, and it appears that this went from Foster Pepper  
5 to the receivership.

6 Q. Okay.

7 MR. WEYTHMAN: Counsel, would this be a  
8 good time to take a short break?

9 MR. YURCHAK: If you'd like one.

10 (Recess 10:29 to 10:34 a.m.)

11 Q. (BY MR. YURCHAK) We're back on the record.  
12 Last question on the Schweickert note. At some point in  
13 time, did you ever understand that the money provided by  
14 Jennifer Schweickert to Hunts Point Ventures was in the  
15 form of a loan?

16 MR. WEYTHMAN: Objection. Calls for  
17 speculation.

18 THE WITNESS: I never saw supporting  
19 documents that it was a loan. I understood it to be a  
20 loan.

21 Q. (BY MR. YURCHAK) And how did you have that  
22 understanding?

23 A. I have recollection of conversations about  
24 seeking the loan.

25 Q. Seeking the loan? What did you mean by that?

1           A.     I have recollection of a conversation with  
2     Steve Schweickert seeking a loan from Jennifer  
3     Schweickert.

4           Q.     Oh. And do you remember what -- why Steve  
5     Schweickert was seeking a loan from Jennifer  
6     Schweickert?

7                   MR. WEYTHMAN: Objection. Calls for  
8     speculation.

9                   THE WITNESS: I can't be sure of why  
10    Steve was seeking a loan from Jennifer.

11          Q.     (BY MR. YURCHAK) And do you recall ultimately  
12    how Ms. Schweickert's money was booked with Hunts Point  
13    Ventures?

14                  MR. WEYTHMAN: Objection. Vague.

15                  THE WITNESS: When I received the Hunts  
16    Point Ventures' financial ledger, it didn't exist.  
17    There were possibly five to ten transactions in the form  
18    of what appeared to be a spreadsheet. That was it.

19          Q.     (BY MR. YURCHAK) You said when you received  
20    the ledger it didn't exist. What did you mean -- what  
21    is it in reference to?

22          A.     It would be the ledger. It was incomplete.

23          Q.     So you received a ledger?

24          A.     In the format of a piece of paper.

25          Q.     Who did you receive that from?

1 A. Steve Schweickert.

2 Q. Okay. Ultimately, how was Jennifer  
3 Schweickert's money booked on HPV's records?

4 A. It was not.

5 Q. So is your testimony according to the final  
6 documentation, as it exists today, of the corporate  
7 records of Hunts Point Ventures, Jennifer Schweickert's  
8 money is not booked?

9 MR. WEYTHMAN: Objection. Assumes facts  
10 not in the record.

11 THE WITNESS: No. It's not accurate.

12 Q (BY MR. YURCHAK) My question, I thought, was  
13 how was her money booked?

14 A. I believe you asked me when I received the  
15 HPV information, how was the money booked.

16 Q. I was asking ultimately on the final -- when  
17 the accounting was done, how was her money booked on the  
18 records of Hunts Point Ventures?

19 MR. WEYTHMAN: Objection. Assumes facts  
20 not in the record. Can you clarify what time frame  
21 you're talking about? I think there's some confusion.

22 Q. (BY MR. YURCHAK) When the final accounting  
23 was complete.

24 A. The final accounting was never complete.

25 Q. In whatever state the accounting is in today,

1 how's the money reflected?

2 MR. WEYTHMAN: Objection. Calls for  
3 speculation.

4 THE WITNESS: I'm uncertain. I don't  
5 have control over HPV accounting because it's in  
6 receivership.

7 Q. (BY MR. YURCHAK) Okay. At the point you were  
8 no longer involved in Hunts Point Ventures because of  
9 the receivership, or in control of Hunts Point Ventures  
10 because of the receivership, how was the money of  
11 Jennifer Schweickert reflected on the books of Hunts  
12 Point Ventures?

13 MR. WEYTHMAN: Objection. Ambiguous.

14 THE WITNESS: Again, it was never  
15 complete.

16 Q. (BY MR. YURCHAK) And, again, what does "it"  
17 refer to?

18 A. The general ledger.

19 Q. On the incomplete general ledger, does  
20 Mrs. Schweickert's money appear?

21 MR. WEYTHMAN: Objection. Calls for  
22 speculation.

23 THE WITNESS: When I last saw the  
24 general ledger, yes.

25 Q (BY MR. YURCHAK) Yes? Her money appeared

1     there?

2             A.     Yes.

3             Q.     Do you recall how it was reflected there?

4             A.     As a loan.

5             Q.     Was it ever booked on Hunts Point Ventures'  
6 records as an investment?

7             A.     No.

8             Q.     So just to establish this current state of  
9 Hunts Point Ventures' accounting records, your testimony  
10 is that when you're -- prior to the receivership, the  
11 records, accounting records, remained incomplete; is  
12 that correct?

13            A.     That's correct.

14            Q.     And do you recall what time frame -- at what  
15 point did you stop trying to make the records complete?

16                   MR. WEYTHMAN:  Objection.  Assumes facts  
17 not in the record.  Mischaracterizes the witness's  
18 testimony.

19            Q.     (BY MR. YURCHAK)  I assume the records were  
20 never completed; correct?

21            A.     Correct.

22            Q.     So at what point in time did you stop trying  
23 -- at what point in time were you no longer working to  
24 try to make them complete?

25            A.     At the point in time that HPV was turned over

1 to receivership.

2 Q. Do you recall when that was?

3 A. Not specifically.

4 Q. Is your testimony that you continued to work  
5 on the accounting records of Hunts Point Ventures up  
6 until that point in time?

7 A. Yes.

8 Q. Were the accounting records changing as you  
9 were working on them?

10 MR. WEYTHMAN: Objection. Vague. What  
11 do you mean by "changing"?

12 Q. (BY MR. YURCHAK) Were you making changes to  
13 the records up until the point in time of the  
14 receivership?

15 A. They were never in a state of completion to  
16 change.

17 Q. Okay.

18 A. They were being categorized. We were  
19 attempting to identify how to quantify transactions.

20 Q. Okay. And I understand that process of  
21 quantifying what a transaction should be was never  
22 complete; is that right?

23 A. Correct.

24 (Exhibit No. 2 marked  
25 for identification.)

1 Q. Exhibit 2, can you identify this document?

2 A. It looks like my notes, my personal notes.

3 Q. Was it authored by you?

4 A. Offered how?

5 Q. Authored.

6 A. Authored?

7 Q. As in, like, did you create it?

8 A. It appears to be my notes that I created. I  
9 can't be perfectly sure because it's been out of my  
10 possession.

11 Q. Do you recall when you would have created  
12 this?

13 A. At some point in time when I was involved  
14 with HPV.

15 Q. Do you recall writing "HPV summary 2012" at  
16 the top of the first page?

17 A. I don't specifically recall writing it. I  
18 would imagine that I did.

19 Q. On the bottom footer of every page, do you  
20 see the date, "August 29, 2012, by Elizabeth Rudkin"?

21 A. Sure.

22 Q. Would that date correspond in your memory to  
23 when you may have authored this document?

24 A. It could correspond to when I created it or  
25 it could correspond to when I last opened it. I'm



1 uncertain.

2 Q. Does your computer change the dates on  
3 documents based on when you open them?

4 A. It depends on the setting on the document, so  
5 I'm unsure.

6 Q. Was this document prepared in the ordinary  
7 scope of business in Hunts Point Ventures?

8 MR. WEYTHMAN: Objection. Calls for  
9 legal conclusion.

10 THE WITNESS: This document was prepared  
11 for my own personal ability to make sense of the pile of  
12 crap that I received from Steve Schweickert.

13 Q. (BY MR. YURCHAK) Is this a corporate document  
14 of Hunts Point Ventures?

15 MR. WEYTHMAN: Objection. Calls for a  
16 legal conclusion.

17 THE WITNESS: I don't know.

18 Q. (BY MR. YURCHAK) What was your answer?

19 A. In my personal opinion, I don't believe so.

20 Q. Was this document prepared for the purpose of  
21 organizing the affairs of Hunts Point Ventures?

22 A. This document was prepared to allow for me to  
23 -- make sense of Hunts Point Ventures.

24 Q. Okay. Was that for the purpose of -- in  
25 helping you to understand Hunts Point Ventures, were you

1 furthering a corporate purpose?

2 MR. WEYTHMAN: Objection. Vague.

3 THE WITNESS: These were personal notes,  
4 for myself.

5 Q (BY MR. YURCHAK) Okay. Did you keep this  
6 document as a regular part of the Hunts Point Ventures'  
7 records?

8 A. No.

9 Q. How did you keep this document?

10 A. In a file on my computer, labeled "notes."

11 Q. Okay. Was that kept separate and apart from  
12 the Hunts Point Ventures' corporate records?

13 A. Yes.

14 Q. Does this document in front of you appear to  
15 be an accurate copy of the documents of the notes that  
16 were on your computer?

17 A. I can't say for sure.

18 Q. Why is that?

19 A. It appears similar.

20 Q. Okay. I'll ask you some questions on what's  
21 written here. On the first page, under the fourth  
22 heading, "financial summary," you note that all funds  
23 are in a trust account with Newman and Du Wors. Is that  
24 correct?

25 A. That's what I read.

1 Q. Were the funds -- what funds is that in  
2 reference to?

3 MR. WEYTHMAN: Objection. Calls for  
4 speculation.

5 THE WITNESS: It's hard to be a hundred  
6 percent sure. I believe it's referring to Hunts Point  
7 Ventures' funds.

8 Q (BY MR. YURCHAK) Would you have been writing  
9 about some other matter when you were preparing this  
10 document?

11 A. Unlikely.

12 Q. Now, you refer to a trust account. What is  
13 your understanding of the trust account?

14 A. I understood that the attorneys had a  
15 separate account that kept a specific quantity of money  
16 for the purposes of paying for litigation, and that  
17 happened that we didn't have a large quantity of money,  
18 and so I believed that it was all in that account.

19 Q. Were those funds the corporate funds of Hunts  
20 Point Ventures?

21 A. I believe so.

22 Q. And you said it was kept in a separate trust  
23 account?

24 MR. WEYTHMAN: Objection,  
25 mischaracterizes the witness's testimony.

1 THE WITNESS: My intention for saying  
2 separate was separate from whatever banking account  
3 Newman Du Wors used. I'm new to the legal world so the  
4 trust account was new to me.

5 Q. So your understanding was that Newman and Du  
6 Wors used an account for themselves and had a separate  
7 account for Hunts Point Ventures?

8 A. Well, yes.

9 Q. Your understanding was not that those two  
10 accounts were the same?

11 A. I'm not sure I understand what you're asking.

12 Q. Was your understanding that the account you  
13 mentioned of Newman and Du Wors used for themselves was  
14 not the same account used for Hunts Point Ventures'  
15 money?

16 A. I'm uncertain of that. I don't know how  
17 attorneys manage money. I understood that Newman and  
18 Du Wors had an account called a trust account that was  
19 an HPV trust account, and that's where our money was  
20 held.

21 Q. Okay. Did you have signing authority on that  
22 HPV trust account?

23 MR. WEYTHMAN: Objection. Calls for  
24 legal conclusion.

25 THE WITNESS: I don't recall.

1 Q (BY MR. YURCHAK) How would you have been able  
2 to access funds from the Newman and Du Wors' HPV trust  
3 account?

4 MR. WEYTHMAN: Objection. Assumes facts  
5 not in the record.

6 THE WITNESS: I'm not sure that I ever  
7 did.

8 Q. (BY MR. YURCHAK) Okay. What was your  
9 understanding as to why the HPV account was set up with  
10 Newman and Du Wors?

11 MR. WEYTHMAN: Objection. Calls for  
12 speculation.

13 MR. YURCHAK: Let me strike that.

14 Q. (BY MR. YURCHAK) What was your understanding  
15 as to why the bank account for Hunts Point -- did Hunts  
16 Point Ventures have its own separate bank account at  
17 that time?

18 A. At what time?

19 Q. At the time that we're talking about here,  
20 when you write, "All funds are currently in a trust  
21 account with Newman and Du Wors."

22 A. At that time, I believe the answer's no.

23 Q. What was your understanding as to why?

24 A. Steve Schweickert had opened an account for  
25 HPV. I believe it didn't have very much funds in it, so

1 we were accruing finance charges or empty account costs.  
2 I can't recall the term of the charges, so they decided  
3 to close it to avoid paying those fees. And so for a  
4 period of time, all of the money was held at the trust  
5 account of John Du Wors, Newman and Du Wors.

6 Q. And you said "they decided to close it." Who  
7 was "they"?

8 A. I can't be exactly sure on the timing, but I  
9 believe it was between Steve and Chad.

10 Q. Okay. How was Hunts Point Ventures able to  
11 access its funds through the Newman and Du Wors'  
12 account?

13 MR. WEYTHMAN: Objection. Calls for  
14 speculation.

15 THE WITNESS: We didn't -- I believe the  
16 only bills that were paid were to Clark Nuber from a  
17 checkbook.

18 Q. (BY MR. YURCHAK) What do you mean by that,  
19 "from a checkbook"?

20 A. Well, I don't recall that we had reason to  
21 access those funds for any purpose.

22 Q. Are you saying that Hunts Point Ventures had  
23 no purpose to access its funds?

24 MR. WEYTHMAN: Objection.  
25 Mischaracterizes the witness's testimony.

1 THE WITNESS: No. The majority of our  
2 operational costs were associated with litigation that  
3 would naturally flow from the trust account to pay the  
4 attorneys for their work.

5 Q (BY MR. YURCHAK) Okay. Is that the  
6 explanation for why Hunts Point Ventures kept its  
7 account with Newman and Du Wors?

8 A. Yes. For that period of time.

9 Q. For that period of time I thought you said  
10 that the only transactional costs were related to not  
11 wanting to incur account maintenance fees?

12 MR. WEYTHMAN: Objection.  
13 Unintelligible. Assumes facts not in the record.  
14 Mischaracterizes the witness's testimony.

15 Q. Was there any related costs to attorney work  
16 being done from which the attorneys would receive funds  
17 from the Hunts Point Ventures' trust account?

18 MR. WEYTHMAN: Objection. Vague.  
19 Unintelligible.

20 THE WITNESS: I'm not sure I understand  
21 what you're asking.

22 Q (BY MR. YURCHAK) Were there any funds  
23 received to Hunts Point Ventures at the time -- its only  
24 account was with Newman and Du Wors?

25 MR. WEYTHMAN: Same objection. Vague.

1 Unintelligible.

2 THE WITNESS: Are you asking if we  
3 deposited into that account?

4 Q. (BY MR. YURCHAK) I'm asking if you received  
5 deposits or if funds were earned on behalf of Hunts  
6 Point Ventures, if any money came into it during the  
7 time it was with Hunts Point Ventures -- if Hunts Point  
8 Ventures' account was with Newman and Du Wors?

9 MR. WEYTHMAN: Same objection. Vague.  
10 Unintelligible.

11 THE WITNESS: I can't be certain. I  
12 believe there was money deposited into that account from  
13 a settlement.

14 Q. (BY MR. YURCHAK) You believe? Do you recall  
15 what settlement?

16 A. That was specifically deposited into the  
17 trust account.

18 Q. I think you said at that time Hunts Point  
19 Ventures' account was with Newman and Du Wors, it  
20 received a deposit from settlement. I was asking if you  
21 recall what that settlement was.

22 A. It's possible that it received a deposit from  
23 a settlement. And it's possible that it was from one of  
24 the two settlements. I can't recall the specifics.

25 Q. Okay. How many settlements are you aware of



1 Hunts Point Ventures receiving?

2 MR. WEYTHMAN: Objection. Vague.

3 Ambiguous.

4 THE WITNESS: I think it was two.

5 Q. (BY MR. YURCHAK) Do you recall the details of  
6 those transactions?

7 MR. WEYTHMAN: Objection. Asked and  
8 answered.

9 THE WITNESS: If you want to be more  
10 specific about what details?

11 Q. (BY MR. YURCHAK) Do you recall with -- when  
12 the first settlement was?

13 A. No.

14 Q. Do you recall with whom?

15 A. DigEcor.

16 Q. Do you recall where the funds from that  
17 settlement, what bank account those funds went into?

18 A. I'm not certain.

19 Q. Do you recall when the second settlement was  
20 -- when was the second settlement?

21 A. I can't be sure either.

22 Q. Do you recall with whom?

23 A. Epson, I believe.

24 Q. Do you recall where the money -- which  
25 account that money flowed into?

1 A. I can't be sure.

2 Q. Do you recall whose decision it was to keep  
3 Hunts Point Ventures' account with Newman and Du Wors as  
4 a trust account?

5 A. You're presuming that we did.

6 Q. I'm presuming what?

7 A. That we kept it with John Du Wors.

8 Q. No. It was the testimony given today that  
9 Hunts Point Ventures' account was with Newman and Du  
10 Wors in a trust account.

11 A. No, the testimony was that there was a trust  
12 account with Newman and Du Wors.

13 Q. Right. I'm asking --

14 A. That's true.

15 Q. I don't think that's any different from what  
16 I said. But my question was --

17 A. It is different.

18 Q. Do you recall who made the decision to keep  
19 the account in that way?

20 A. Well, I suppose your question is incorrect.  
21 The account wasn't kept in that way.

22 Q. The account was kept as a trust account with  
23 the firm of Newman and Du Wors; correct?

24 A. There was a trust account kept with Newman  
25 and Du Wors, correct.

1 Q. For Hunts Point Ventures?

2 A. Correct.

3 Q. And, again, my question is, who made that  
4 decision to keep the account in that way?

5 A. It wasn't a decision to be made. It was  
6 mandatory, in order to have the services from an  
7 attorney, that there be a trust account with funds  
8 available.

9 Q. Okay. And --

10 MR. WEYTHMAN: Counsel, are you asking  
11 who initiated?

12 MR. YURCHAK: No.

13 Q. (BY MR. YURCHAK) In your experience, do all  
14 firms who transact business with an attorney keep all  
15 their accounts with the attorney office?

16 MR. WEYTHMAN: Objection. Calls for  
17 speculation.

18 THE WITNESS: I feel like you don't have  
19 all the information so you're not really asking the  
20 right question, and I'm not quite sure if I should help  
21 you or not.

22 Q. (BY MR. YURCHAK) How would you answer my  
23 question?

24 A. I can't. It's not the entirety.

25 Q. At any point in time did Hunts Point Ventures

1 open up its own bank account?

2 MR. WEYTHMAN: Objection. Calls for  
3 speculation.

4 THE WITNESS: While we were shareholders  
5 of Hunts Point Ventures, we opened up an additional bank  
6 account for Hunts Point Ventures.

7 Q. (BY MR. YURCHAK) Why did you do that?

8 A. So that we would have a business account to  
9 operate from.

10 Q. Okay. Did you not need a business account to  
11 operate from at the time HPV's account was with Newman  
12 and Du Wors?

13 MR. WEYTHMAN: Objection. Calls for  
14 speculation. Lacks foundation. Counsel hasn't  
15 established when the trust account was established.

16 THE WITNESS: Trust account was in  
17 existence when we became shareholders and directors of  
18 Hunts Point Ventures. I don't recall the date that the  
19 commerce bank account was closed, but I believe it was  
20 near the time when Steve Schweickert was no longer a  
21 part of HPV. After a period of time we opened a new  
22 business account.

23 Q. (BY MR. YURCHAK) Do you remember when you  
24 opened a new business account?

25 A. I can't be sure. I believe it's -- there's

1 notes in reference made to it in our board meeting  
2 minutes and such.

3 Q. Okay. So would it sound about accurate that  
4 the account was opened in January, 2013?

5 MR. WEYTHMAN: Objection. Leading.

6 THE WITNESS: I absolutely cannot say.  
7 I just don't know.

8 Q (BY MR. YURCHAK) Did you have any way to  
9 access Hunts Point Ventures' funds after the point in  
10 time the Commerce Bank account was closed?

11 MR. WEYTHMAN: Objection. Vague. Lacks  
12 foundation. Hasn't established when the bank account  
13 was closed.

14 THE WITNESS: I don't know.

15 Q (BY MR. YURCHAK) Were there any other --  
16 during the time that Hunts Point Ventures did not have  
17 its own corporate bank account, can you recall any  
18 business-related expenses that Hunts Point Ventures was  
19 obligated to pay?

20 A. I can't recall without looking at  
21 documentation.

22 Q. Do you recall if Hunts Point Ventures would  
23 have been obligated to pay one of its patent maintenance  
24 fees?

25 MR. WEYTHMAN: Objection. Calls for

1 legal conclusion. Asks for expert opinion.

2 THE WITNESS: I can't recall.

3 Q (BY MR. YURCHAK) Can you recall if Hunts  
4 Point Ventures was obligated to pay interest on any of  
5 the loans that had been made to it?

6 MR. WEYTHMAN: Objection. Asks for  
7 legal conclusion.

8 THE WITNESS: Do I recall if HPV was  
9 obligated to pay interest? Is that your --

10 Q. (BY MR. YURCHAK) During -- yes, during the  
11 time this account was set up only with Newman and Du  
12 Wors?

13 A. We were in the process of attempting to  
14 understand what moneys were owed, if moneys were owed at  
15 that time.

16 Q. Okay. So you had no awareness if Hunts Point  
17 Ventures owed any interest on any loans?

18 A. There was awareness, but not clear  
19 understanding.

20 Q. Okay. Were you aware of any re-examination  
21 fees that Hunts Point Ventures was obligated to pay for  
22 work related to its patents?

23 A. I didn't pay those sorts of expenses. Those  
24 were paid directly by Newman and Du Wors.

25 Q. Did -- do you recall if Newman and Du Wors

1 ever sought authorization from Hunts Point Ventures to  
2 pay those expenses?

3 A. I can't be sure.

4 Q. Can you recall if there was any sort of board  
5 meetings, board resolution, corporate documents related  
6 to the expenditure of Hunts Point Ventures' corporate  
7 funds, any of their corporate funds, while their account  
8 was with Newman and Du Wors?

9 MR. WEYTHMAN: Objection. Calls for  
10 speculation.

11 THE WITNESS: Are you asking if there's  
12 written documentation around that discussion or  
13 conversation?

14 Q. (BY MR. YURCHAK) Regarding any corporate  
15 expenditures of Hunts Point Ventures.

16 A. I can't be sure if it's written.

17 Q. Do you recall if Newman and Du Wors ever  
18 sought authority from the officers of Hunts Point  
19 Ventures to make any expenditures on Hunts Point  
20 Ventures' behalf?

21 MR. WEYTHMAN: Objection. Calls for  
22 speculation.

23 THE WITNESS: If you're asking if John  
24 Du Wors asked Chad and I if he could make payments on  
25 HPV's behalf, he did.

1 Q (BY MR. YURCHAK) Okay. And can you recall  
2 what type of payments he requested authority from you to  
3 make?

4 A. I can't.

5 Q. Do you recall how often he requested such  
6 authority?

7 A. I don't recall how often.

8 Q. Do you recall, in your work with Hunts Point  
9 Ventures' accounting documents, any entries related to  
10 payment on behalf of Steve Schweickert for a DUI?

11 A. Yes.

12 Q. Was the amount 8500, best of your  
13 recollection?

14 A. I can't be certain, but it sounds close.

15 Q. Do you recall how Hunts Point Ventures  
16 treated that expense?

17 A. That --

18 MR. WEYTHMAN: Objection. Calls for  
19 speculation.

20 MR. YURCHAK: It's county records.

21 THE WITNESS: At the point in time I  
22 received the accounting, that was one of the  
23 transactions that was inconclusive.

24 Q. (BY MR. YURCHAK) Was that a transaction that  
25 you recall Mr. Du Wors seeking authority to make from



1 Hunts Point Ventures' officers?

2 A. I can't be sure of the time frame on it, so I  
3 don't recall being asked specifically regarding that  
4 transaction, but I can't recall the timing specific to  
5 when we had authority to make that decision.

6 Q. Okay. Did you feel it was an obligation of  
7 yours to accurately reflect all the costs and expenses  
8 of Hunts Point Ventures?

9 MR. WEYTHMAN: Objection. Calls for  
10 legal conclusion.

11 THE WITNESS: It was my desire to  
12 accurately reflect all the expenses associated with HPV.

13 Q. (BY MR. YURCHAK) Do you recall what steps you  
14 took to try to meet that obligation with respect to this  
15 DUI expense?

16 A. I sought professional advice from accountants  
17 and from our attorney and from Steve Schweickert.

18 Q. Okay. Did you learn anything after doing  
19 that regarding what the corporate purpose was for that  
20 transaction?

21 A. I could not draw a conclusion based on the  
22 information I was given.

23 Q. Do you have an opinion today if that  
24 corporate transaction was appropriate?

25 MR. WEYTHMAN: Objection. Calls for

1 legal conclusion, speculation.

2 THE WITNESS: I wouldn't have authorized  
3 that transaction.

4 Q. (BY MR. YURCHAK) As the Chief Financial  
5 Officer of Hunts Point Ventures, what was your  
6 conclusion regarding whether that transaction was an  
7 appropriate business-related expense?

8 A. My conclusion was it was not an appropriate  
9 business-related expense.

10 Q. Does Hunts Point Ventures take the position  
11 that because it's not an appropriate related business  
12 expense, that it should be reimbursed?

13 MR. WEYTHMAN: Objection. Calls for  
14 speculation.

15 Q. (BY MR. YURCHAK) From Steve, for that  
16 expense?

17 MR. WEYTHMAN: Still calls for  
18 speculation.

19 THE WITNESS: My position at the time  
20 that I had authority over the financial records was that  
21 that expense ought to be reimbursed.

22 Q. (BY MR. YURCHAK) Were there any corporate  
23 board resolutions made to that effect?

24 A. As our accounting process was still underway,  
25 no conclusions were yet drawn.

1 Q. Did you ever acquire an understanding of who  
2 authorized that transaction?

3 A. I would need you to reference the time frame  
4 exactly, because I can't recall if Steve was the  
5 shareholder and director officer at that time or if we  
6 were. I don't recall.

7 Q. Did you seek input from Mr. Du Wors as to  
8 whether that was an authorized transaction?

9 A. Yes.

10 Q. And what was his representation?

11 A. I'm not sure I can -- I'm not sure I  
12 remember.

13 Q. Would it have been your practice to keep  
14 corporate notes as you were doing your investigation of  
15 the different transactions?

16 A. Possibly.

17 Q. And why do you say "possibly"?

18 A. Because I wasn't always consistent in my  
19 note-taking. When I had the time I took notes. And  
20 when I was busy and engaged, I often didn't have time to  
21 take notes. So notes could be left in any state.

22 Q. Would you take handwritten notes?

23 A. Possibly.

24 Q. In your review of the corporate records of  
25 Hunts Point Ventures, is it possible that there are

1 notes from the different periods of time when you were  
2 doing investigation regarding the accounting  
3 transactions of Hunts Point Ventures that may still be  
4 in your possession?

5 MR. WEYTHMAN: Objection. Vague.

6 THE WITNESS: Are you asking if it's  
7 possible?

8 Q. (BY MR. YURCHAK) (Nods head affirmatively).

9 A. Possible.

10 Q. I feel like I'm using your language because  
11 you seem uncertain if you may have it or not.

12 A. Have what?

13 Q. Your notes. So you said it is possible you  
14 may have some notes that you may have taken?

15 A. Yes, that's possible.

16 Q. Would you have turned those notes over to  
17 your attorneys?

18 A. I can't be sure. It appears to me that you  
19 all have my notes.

20 Q. At the time the receivership -- of the  
21 receivership, do you recall if you provided all of the  
22 documentation that was in your possession regarding  
23 Hunts Point Ventures at that time?

24 MR. WEYTHMAN: Objection. Vague. At  
25 what time?

1 Q. (BY MR. YURCHAK) At the time the documents  
2 were provided to your attorneys.

3 A. Our attorneys were given possession of all  
4 the hardcopy documents that I had in a box.

5 Q. Okay. Does that mean there were other areas  
6 outside of this box that may contain corporate records  
7 of Hunts Point Ventures?

8 A. You'd have to define "corporate records."

9 Q. Notes, for instance.

10 A. That's possible.

11 Q. Or other corporate records in general? I  
12 can't define what I don't know what you might have. So  
13 I can only ask if there are maybe other corporate  
14 records of Hunts Point Ventures not contained in that  
15 box?

16 A. You'd have to be specific as to what you were  
17 looking for. I don't consider my personal notes to be  
18 corporate records.

19 Q. What do you consider them to be?

20 A. Personal notes.

21 Q. And why do you consider them to be personal  
22 notes?

23 A. Because they weren't for any other person's  
24 benefit other than my own.

25 Q. Were you acting in the interest of Hunts

1 Point Ventures when you took those notes?

2 MR. WEYTHMAN: Objection. Ambiguous.

3 THE WITNESS: I was acting in my  
4 interest to provide understanding.

5 Q. (BY MR. YURCHAK) Regarding what?

6 A. Regarding Hunts Point Ventures.

7 Q. Going back to your notes on Exhibit 2, under  
8 the "Early Development" paragraph midway down, starting,  
9 "However, the intention was to bring on all four  
10 business partners in an official, legally binding  
11 business venture."

12 And in that paragraph, you mention four people  
13 there in the first sentence: Steve Schweickert, Chad  
14 Rudkin, Mark Phillips, Doug Lower, who conceptualized  
15 Hunts Point Ventures.

16 What is Hunts Point Ventures regarding -- what is  
17 Hunts Point Ventures' position regarding its intent with  
18 respect to how it was supposed to be formed?

19 MR. WEYTHMAN: Objection. Vague.  
20 Ambiguous. Objection as to counsel's reference to this  
21 as my client's notes. Assumes facts not in the record.  
22 Asks for speculation.

23 THE WITNESS: I can't say. I wasn't  
24 officially part of HPV at that time.

25 Q. (BY MR. YURCHAK) I understand. Would you

1 agree that you took notes, that these are your notes  
2 regarding Hunts Point Ventures?

3 A. These are notes I took to attempt to  
4 understand the development of Hunts Point Ventures.

5 Q. Okay. That's -- okay. And where does your  
6 understanding come from?

7 A. From those involved that are mentioned here  
8 in these notes: Steve Schweickert, Chad Rudkin, Mark  
9 Phillips, Doug Lower.

10 Q. And your understanding from the discussions  
11 with those involved was that Hunts Point Ventures was to  
12 have four business partners?

13 A. At the time of inception, that was my  
14 understanding.

15 Q. And you then write that Mark would not be  
16 affiliated with HPV. What was the basis of your  
17 understanding for that statement?

18 A. I understood through conversations with Chad  
19 and Steve -- and I can't recall if Mark was there at the  
20 time or not -- that -- I don't really know how to answer  
21 that. Can you ask me that again?

22 Q. Do you recall what the basis of your  
23 knowledge was when you took that note that Mark was not  
24 to be affiliated? In other words, from whom did you --

25 A. Where did I get that information? It came

1 from Steve and Chad and Doug and possibly Mark. I can't  
2 recall the time line of when I wrote this.

3 Q. Okay. Do you recall having an understanding  
4 of why Mark would want to have a concern to protect his  
5 IP if it was being sold to Hunts Point Ventures?

6 MR. WEYTHMAN: Objection. Assumes facts  
7 not in the record. Speculation. Unintelligible.

8 THE WITNESS: You're talking of  
9 information that took place over a long period of time  
10 that's summarized in a few sentences. So it's hard to  
11 answer the question based on time relevance.

12 Q. (BY MR. YURCHAK) Okay. What is Hunts Point  
13 Ventures' official position with respect to whether Mark  
14 Phillips was to be a shareholder?

15 MR. WEYTHMAN: Objection. Calls for  
16 speculation.

17 THE WITNESS: I wasn't a part of HPV at  
18 that time that they developed -- Steve and Joyce  
19 developed HPV.

20 (Exhibit No. 3 marked  
21 for identification.)

22 Q. (BY MR. YURCHAK) Do you recognize -- can you  
23 identify the document placed before you?

24 MR. WEYTHMAN: Objection. Ambiguous.  
25 Witness has several documents in front of her. It's



1 your record, counsel.

2 MR. YURCHAK: Fair enough.

3 Q. (BY MR. YURCHAK) Can you identify Exhibit 3?

4 A. It appears to be the HPV Joint Consent.

5 Q. Do you recognize this document?

6 A. It looks familiar.

7 Q. Are you aware of who authored this document?

8 A. I believe it was Steve Schweickert with the  
9 assistance of John Du Wors. Are there two documents or  
10 do I just have two?

11 Q. You have two. And if you look at the last  
12 page of the one document --

13 A. They're different signatures.

14 Q. Do you recognize the signature there?

15 A. Yes.

16 Q. Whose signature do you recognize?

17 A. I recognize three signatures. I'm sorry.  
18 There's two signatures. There's three places. My  
19 signature and Chad Rudkin's signature.

20 Q. Do you recall signing it?

21 A. Yes, I do.

22 Q. And do you see that the -- what is the date  
23 that you see on the last page where those signatures  
24 appear?

25 A. Well, it was resolved this 29th day of May,

1 2012. That was the date of the signature.

2 Q. And what date do you see by Chad Rudkin's  
3 name -- signature?

4 A. I see a backdated date of May 31st, 2011.

5 Q. Do you see any date by your signature?

6 A. May, 2011.

7 Q. And you said -- you used the word  
8 "backdated." Why did you do that?

9 A. Because in this document it identifies this  
10 document as being backdated.

11 Q. The document itself identifies itself as  
12 being backdated?

13 A. Yes.

14 Q. Are you able to show me where it says that?

15 A. Letter C on the first page.

16 Q. I see under letter C of the first page that  
17 it says that Chad Rudkin -- actually it just says Rudkin  
18 became an owner as of January 1st, 2011. If the intent  
19 was to backdate the document, why would it not have been  
20 backdated to January 1st of 2011?

21 MR. WEYTHMAN: Objection. Calls for  
22 speculation. Witness has already testified someone else  
23 drafted the document.

24 THE WITNESS: I don't know. Can you ask  
25 -- I don't know what you're asking.

1 Q. (BY MR. YURCHAK) You said paragraph C  
2 explains why the document was backdated. And I'm asking  
3 that -- my question is why in paragraph C does it say  
4 that Rudkin is an owner as of January 1st, 2011, but the  
5 date on the signature lines is May, 2011?

6 MR. WEYTHMAN: Objection.  
7 Mischaracterizes the witness's testimony. Also still  
8 calls for speculation.

9 THE WITNESS: I don't know.

10 Q. (BY MR. YURCHAK) On the second page, under  
11 "Ratify and Elect Directors," starting "Further  
12 Resolved," do you agree that it reads, "that all actions  
13 taken by the directors of the corporation in managing  
14 the affairs of the corporation from the company's  
15 inception through the date hereof, are hereby approved  
16 adopted, adopted, ratified and confirmed"?

17 A. I do.

18 Q. How do you interpret -- what do you interpret  
19 that to mean?

20 MR. WEYTHMAN: Objection. Calls for  
21 speculation.

22 Q. (BY MR. YURCHAK) What does HPV interpret that  
23 to mean?

24 MR. WEYTHMAN: Objection. Still calls  
25 for speculation. The witness has already testified that

1 HPV is in receivership and she doesn't have any control  
2 over the company.

3 THE WITNESS: I can't speak for HPV at  
4 this point in time.

5 Q. (BY MR. YURCHAK) Why is that?

6 A. Because HPV's in receivership.

7 Q. Because it's in receivership -- why does the  
8 fact that it's in receivership prevent you for speaking  
9 for HPV at this time?

10 MR. WEYTHMAN: Objection. Calls for  
11 legal conclusion.

12 THE WITNESS: I no longer represent HPV.

13 Q. (BY MR. YURCHAK) According to your  
14 understanding, who does?

15 MR. WEYTHMAN: Objection. Calls for  
16 legal conclusion.

17 THE WITNESS: The receiver.

18 Q. (BY MR. YURCHAK) Did you at one time -- at  
19 one time, would you agree that you were the corporate --  
20 you were an officer of HPV?

21 A. Yes.

22 Q. As an officer, are you still an officer of  
23 HPV?

24 MR. WEYTHMAN: Objection. Calls for  
25 legal conclusion.

1 THE WITNESS: That's uncertain to me.

2 Q. (BY MR. YURCHAK) And why is it uncertain?

3 A. Because I no longer have control over HPV.

4 Q. What is your understanding about the  
5 transaction that occurred between HPV and the receiver?

6 MR. WEYTHMAN: Objection. Calls for  
7 legal conclusion. Calls for expert opinion.

8 THE WITNESS: My conclusion is that HPV  
9 is in receivership and the receivers are responsible for  
10 all HPV business.

11 Q. (BY MR. YURCHAK) Who are the current  
12 corporate officers of HPV?

13 MR. WEYTHMAN: Objection. Calls for  
14 legal conclusion.

15 THE WITNESS: I'm uncertain.

16 Q. (BY MR. YURCHAK) Was there any corporate  
17 document documenting the resignation of HPV's officers  
18 prior to or following the receivership?

19 MR. WEYTHMAN: Objection. Ambiguous.  
20 Calls for speculation. What point in time, counsel?

21 Q. (BY MR. YURCHAK) For you and Chad Rudkin.

22 A. I can't be sure. The transaction took place  
23 between us and our attorneys.

24 Q. Okay. Going back to the document, Exhibit 3,  
25 same question. How does Hunts Point Ventures interpret

1 the clause beginning with "Further Resolved" on the  
2 second page?

3 MR. WEYTHMAN: Same objection. Calls  
4 for legal conclusion, speculation.

5 THE WITNESS: I don't represent Hunts  
6 Point Ventures at this point.

7 Q. (BY MR. YURCHAK) Irrespective of your belief  
8 that you don't represent Hunts Point Ventures?

9 MR. WEYTHMAN: Asked and answered.

10 Q. (BY MR. YURCHAK) That's a different question.  
11 Irrespective of that belief, what is Hunts Points  
12 Ventures' position -- interpretation, I'm sorry, with  
13 respect to that clause?

14 MR. WEYTHMAN: Objection. Still calls  
15 for speculation. That question has been asked and  
16 answered.

17 MR. YURCHAK: Not with respect to --

18 MR. WEYTHMAN: The witness is not  
19 compelled to speculate.

20 MR. YURCHAK: This isn't speculation.  
21 This is the corporation answering for its own documents.

22 Q. (BY MR. YURCHAK) How does the corporation  
23 respond to what that clause means?

24 A. I respond to you that the document was  
25 drafted by our attorney and advised to be signed by our

1 attorney. Therefore, we acted on the advice of our  
2 attorney.

3 Q. Do you feel Hunts Point Ventures is bound by  
4 the language in this document?

5 MR. WEYTHMAN: Objection. Calls for  
6 legal conclusion. Impermissible lay opinion.

7 THE WITNESS: I can't be sure without  
8 legal representation regarding the document.

9 Q. (BY MR. YURCHAK) You mentioned getting -- you  
10 mentioned that this document was executed pursuant to  
11 some legal advice; correct?

12 A. Yes.

13 Q. Did you have legal advice from any attorney  
14 at the time this document was executed?

15 A. Did I have separate legal counsel?

16 Q. (Witness nods head affirmatively).

17 A. No, I did not.

18 Q. Did you obtain legal advice as an officer of  
19 Hunts Point Ventures to have an understanding of what  
20 you were signing?

21 A. Yes.

22 Q. From whom did you obtain that legal advice?

23 A. From HPV's attorney, John Du Wors.

24 Q. And John Du Wors also represented HPV?

25 A. He only represented HPV.

1 Q. Did you not just say you obtained advice from  
2 John Du Wors as well?

3 A. You asked who I obtained advice from as an  
4 officer.

5 Q. Mm-hm.

6 A. And I obtained advice from HPV's attorney,  
7 John Du Wors.

8 Q. Do you view yourself as an officer in the  
9 corporation as the same thing?

10 MR. WEYTHMAN: Objection. Vague.

11 Q. (BY MR. YURCHAK) In other words, when you're  
12 receiving advice from John Du Wors, as you said you did,  
13 is that the same thing as HPV receiving legal advice?

14 MR. WEYTHMAN: Objection. Calls for  
15 legal conclusion.

16 THE WITNESS: I don't know how to answer  
17 that.

18 Q. (BY MR. YURCHAK) Why?

19 A. Because I'm not sure what you -- I'm not sure  
20 what you're specifically getting at.

21 Q. You received legal advice from John Du Wors?

22 A. Yes.

23 Q. Regarding this document?

24 A. Yes.

25 Q. Are you aware if the other corporate officer,



1 Chad Rudkin, received any legal advice at the time of  
2 assigning this document?

3 MR. WEYTHMAN: Objection. Calls for  
4 speculation.

5 THE WITNESS: We received legal advice  
6 from John Du Wors.

7 Q. (BY MR. YURCHAK) I notice, as you said that  
8 your date was May 2011, was that because you may have  
9 forgotten to write in the date of when you signed the  
10 document --

11 MR. WEYTHMAN: Objection. Leading.

12 Q. (BY MR. YURCHAK) -- on the last page?

13 A. The actual date number?

14 Q. Day.

15 A. Day of the month?

16 Q. Yeah.

17 A. Day? I don't recall why that wasn't  
18 completed.

19 Q. Do you recall signing it at the same time as  
20 Chad Rudkin?

21 A. Yes.

22 Q. So you were together at the same time?

23 A. Yes.

24 Q. So is it fair to assume that your signature  
25 occurred on the same date, the 29th?

1 MR. WEYTHMAN: Objection. Vague.

2 THE WITNESS: I can't be sure.

3 Q. (BY MR. YURCHAK) But you do recall being  
4 together with Chad Rudkin at the time this document was  
5 discussed and signed?

6 A. Yes.

7 Q. And you were discussing it together with John  
8 Du Wors?

9 A. We had discussed it with John Du Wors.

10 Q. Okay. And it was your understanding that --  
11 did you ever receive any other legal advice from John Du  
12 Wors regarding your role as an officer in Hunts Point  
13 Ventures?

14 A. Yes.

15 Q. Do you recall what kind of matters?

16 A. No. Not specifically.

17 Q. How often did you receive advice from him?

18 A. I don't know how to quantify that.

19 Q. How would you describe your relationship with  
20 him as an officer during the time you were an officer of  
21 Hunts Point Ventures?

22 MR. WEYTHMAN: Objection. Vague.

23 THE WITNESS: It was a relationship that  
24 took place mostly over the phone. That was really the  
25 only way I can categorize it. A professional, legal

1 relationship providing guidance for HPV.

2 Q. (BY MR. YURCHAK) Okay. So he would talk to  
3 you on the phone and he would give you guidance about  
4 HPV?

5 A. Yes.

6 Q. Did he ever request you to sign any sort of  
7 document called a conflict waiver?

8 A. I don't believe I did.

9 Q. Do you recall any discussions about that?

10 A. No, I don't.

11 Q. Would John Du Wors also talk to Chad Rudkin?

12 MR. WEYTHMAN: Objection. Calls for  
13 speculation.

14 THE WITNESS: Yes.

15 Q. (BY MR. YURCHAK) Were you present -- would  
16 those conversations occur over the phone?

17 A. I was present for them.

18 Q. And did you hear at the time you were present  
19 for those conversations that Chad Rudkin was having  
20 discussions about Hunts Point Ventures' issues?

21 A. Yes. I've been present for conversations  
22 with John Du Wors and Chad discussing Hunts Point  
23 Ventures.

24 Q. Did it seem to you that the nature of those  
25 discussions was about legal advice, what to do with

1 respect to issues in Hunts Point Ventures?

2 A. Yes.

3 Q. Okay. Now, would you agree, going back to  
4 Exhibit 3, that the clause that states that the  
5 directors of the corporation approve, adopt, ratify and  
6 confirm in all respects the actions taken by the  
7 directors of the corporation, that this would obligate  
8 the corporation, regardless of who's running it, to  
9 approve, adopt, and ratify every act taken by the  
10 corporation?

11 MR. WEYTHMAN: Objection. Calls for  
12 legal conclusion. Also ambiguous. Which clause are you  
13 referring to, Counsel?

14 Q. (BY MR. YURCHAK) Second page, same clause,  
15 beginning with "Further Resolved."

16 A. My understanding of this document is based  
17 off of my trust for our attorney's direction and advice.

18 Q. Fair enough. Would you often feel, in making  
19 decisions, that you were relying upon the trust that you  
20 put in the advice of John Du Wors?

21 A. I think that's fair to say.

22 Q. In doing so, would you take the time to make  
23 sure that you understood the documents or direction that  
24 you were being advised on? It's not well put. In doing  
25 so, did you understand all -- would you take the time

1 personally to make sure you understood all of the  
2 corporate documents that you were involved with during  
3 your time as an officer of Hunts Point Ventures from  
4 which you received advice on from John Du Wors?

5 A. I did take the time to understand and ask  
6 appropriate questions. Though I tended to make the  
7 final decisions based upon the advice of our attorney.

8 Q. Do you recall having taken the time to read  
9 this document, Exhibit 3?

10 A. Yes, I do.

11 Q. Do you recall reading that clause beginning  
12 with "Further Resolved"?

13 A. Yes, I do.

14 Q. Did you -- do you recall understanding what  
15 that meant at the time you signed this document?

16 A. Yes.

17 Q. What is your understanding then of what that  
18 clause means?

19 A. My understanding was that it meant that  
20 somehow we were to take in Steve's actions and decisions  
21 and adopt them as a part of the corporation.

22 Q. Okay. What is Hunts Point Ventures' position  
23 with respect to whether Mark Phillips was to be  
24 recognized as a shareholder in Hunts Point Ventures?

25 MR. WEYTHMAN: Objection. Calls for

1 speculation.

2 THE WITNESS: At the time I received the  
3 box of documents from Steve Schweickert, I wasn't able  
4 to conclude anything regarding Mark's being a  
5 shareholder to HPV based on the evidence and the  
6 documents.

7 Q. (BY MR. YURCHAK) Does that mean you base your  
8 decision based on the documentation that you have  
9 available to you?

10 MR. WEYTHMAN: Objection. Ambiguous.  
11 Available to her now or available to the witness at the  
12 time?

13 MR. YURCHAK: Available to the witness  
14 at any point in time.

15 THE WITNESS: We used the documentation  
16 we were given to help understand the structure of HPV.

17 Q. (BY MR. YURCHAK) Understood. We talked  
18 earlier about the Jennifer Schweickert note; correct?

19 A. Correct.

20 Q. And you testified there was a point in time  
21 when you weren't sure if it was an investment because  
22 there was no documentation; is that right?

23 A. Correct.

24 Q. And you came into documentation later, which  
25 helped clarify what that was even though it wasn't

1 signed; is that correct?

2 A. It didn't help to clarify because it was  
3 incomplete documentation that meant relatively little.

4 Q. But you would have relied upon it if it was  
5 complete?

6 A. Had it been a signed document that had been  
7 introduced to corporate records, absolutely.

8 Q. Okay. So if you were to become aware of  
9 other documents that were not made available to you at  
10 the time, would that cause you to change your position  
11 with respect to how you viewed something?

12 MR. WEYTHMAN: Objection.

13 Q. (BY MR. YURCHAK) And at the time you become  
14 aware of the document?

15 MR. WEYTHMAN: Objection. Calls for  
16 speculation.

17 THE WITNESS: I'm not really sure I know  
18 what you're asking me. If I were to come across a  
19 document that provided evidence contrary to what I  
20 believed? Prior to that?

21 Q. (BY MR. YURCHAK) Yeah. Maybe you said it  
22 better than I did.

23 A. Then, yes, that would help to educate me.

24 Q. Fair enough. Sounds reasonable.

25 (Exhibit No. 4 marked

1 for identification.)

2 Q. (BY MR. YURCHAK) You've received Exhibit 4?

3 A. Yes.

4 Q. Are you able to identify it?

5 A. No.

6 Q. Why is that?

7 A. I'm unfamiliar with it.

8 Q. Do you know what a stock subscription  
9 agreement is?

10 A. Yes.

11 Q. What is it?

12 A. It's a contract of a person buying stock in a  
13 company.

14 Q. Okay. Reading the first paragraph,  
15 beginning, "This Stock Subscription Agreement," what do  
16 you understand this document to be?

17 MR. WEYTHMAN: Objection. Assumes facts  
18 not in the record.

19 Q. (BY MR. YURCHAK) On its face, what does this  
20 document appear -- purport to be?

21 A. This document says it's a stock subscription  
22 agreement.

23 Q. Between who and who?

24 A. Between Hunts Point Ventures and Mark  
25 Phillips.



1 Q. Have you ever seen this document before?

2 A. I can't be sure that I have.

3 Q. Would this appear to be a corporate document  
4 related to Hunts Point Ventures?

5 MR. WEYTHMAN: Objection. Calls for  
6 legal conclusion.

7 THE WITNESS: Being unfamiliar with this  
8 document, I can't say. It appears that it's possible.

9 Q. (BY MR. YURCHAK) And on the last page --  
10 sorry. In that first paragraph there, do you see the  
11 date of this document?

12 A. I do.

13 Q. And what is it?

14 A. May 20th, 2010.

15 Q. Would that date fall within the time period  
16 of when Hunts Point Ventures was in an active  
17 incorporated entity?

18 MR. WEYTHMAN: Objection. Calls for  
19 speculation.

20 THE WITNESS: I believe Hunts Point  
21 Ventures was incorporated at the beginning of May, 2010.

22 Q. (BY MR. YURCHAK) Okay.

23 A. To the best of my recollection.

24 Q. Would it fall within that time period?

25 A. May 20th, 2010, falls within that time period,

1 yes.

2 Q. And the signatures on the last page, do you  
3 recognize either of them?

4 A. Yes, I see them.

5 Q. Do you recognize either of them?

6 A. Yes.

7 Q. How do you recognize them?

8 A. Well, it appears to be a signature of Mark  
9 Phillips and Steve Schweickert.

10 Q. Have you ever seen those signatures on other  
11 documents before?

12 A. Yes.

13 Q. Do those signatures appear to be consistent  
14 with the signatures that you saw from those individuals  
15 before?

16 MR. WEYTHMAN: Objection. Calls for  
17 impermissible lay opinion and legal conclusion.

18 THE WITNESS: I can't say for sure.

19 Q. (BY MR. YURCHAK) Okay. Putting aside the  
20 question of whether this is a proper corporate document,  
21 or any questions you may have about it, what does it  
22 appear to be to you on its face?

23 MR. WEYTHMAN: Objection. Calls for  
24 speculation. Asked and answered.

25 THE WITNESS: The document says it's a

1 stock subscription agreement. That's what it appears to  
2 be. I can't confirm whether it is or it isn't. I don't  
3 know.

4 Q. (BY MR. YURCHAK) How do you think you would  
5 try to confirm if it is or it isn't?

6 MR. WEYTHMAN: Objection. Calls for  
7 speculation.

8 THE WITNESS: Because it's just being  
9 handed to me today, I can't be certain if it came  
10 through an attorney in a legal transaction. That would  
11 be helpful, but I don't know where this document came  
12 from.

13 Q. (BY MR. YURCHAK) Mm-hm.

14 A. I don't have any reference for this document.

15 Q. That's understandable. You're seeing it for  
16 the first time today; is that right?

17 A. I can't be sure.

18 Q. Why is that?

19 A. I just don't recollect. It doesn't look  
20 familiar to me.

21 Q. Is it possible you may have seen it before?

22 MR. WEYTHMAN: Objection. Asked and  
23 answered.

24 THE WITNESS: I can't say. I don't  
25 know.

1 Q. (BY MR. YURCHAK) Were you ever aware of any  
2 documents prepared by the law firm of Cairncross &  
3 Hempelmann in the time frame of May 2010?

4 A. Was I aware at that time?

5 Q. No. Were you ever aware -- and I'm assuming  
6 that when you were actively involved in Hunts Point  
7 Ventures, you were seeing lots of stuff; is that right?

8 MR. WEYTHMAN: Objection. Leading.

9 THE WITNESS: Not at that time.

10 Q. (BY MR. YURCHAK) At the time you were  
11 actively involved with Hunts Point Ventures, I imagine  
12 -- it sounds as if you were bombarded with all sorts of  
13 information.

14 MR. WEYTHMAN: Counsel, ambiguous. What  
15 time do you mean by "actively involved"?

16 Q. (BY MR. YURCHAK) Is that a fair assessment?

17 A. Are you asking if I've seen lots of documents  
18 at the time I was actively involved?

19 Q. Generally, yeah.

20 A. Generally, yes.

21 Q. It sounds -- it sounds like it was a mess; is  
22 that a fair assessment?

23 A. Yes.

24 Q. Chad Rudkin two days ago testified that this  
25 box, he referred to as a box of crap. Do you have any

1 response to that assessment of the state of affairs as  
2 it was reflected at that time?

3 A. That's a fair assessment.

4 Q. The box? So are you able to say with any  
5 certainty that you ever saw any documents that were  
6 produced by the law firm of Cairncross & Hempelmann in  
7 the time frame of May 2010 regarding Hunts Point  
8 Ventures?

9 A. I can't say either way. I'm not certain of  
10 what they prepared matched to what I've seen.

11 Q. Do you have any specific recollection of any  
12 document that purported to be an amended article of the  
13 corporation of Hunts Point Ventures from the May 2010  
14 time frame?

15 A. I don't recall that.

16 Q. Any document that you can recall that  
17 purported to set up an entity called Hunts Point  
18 Intellectual Properties in May 2010 time frame?

19 A. I did see a document with that on it.

20 Q. Okay. And what do you recall about that  
21 document?

22 A. It appeared to be a business. I'm actually  
23 not sure of what that document was. I don't know how to  
24 properly title that document.

25 Q. But you do recall -- was it a memorandum of

1 understanding possibly?

2 MR. WEYTHMAN: Objection. Leading.

3 THE WITNESS: No. That's not what I'm  
4 remembering.

5 Q. (BY MR. YURCHAK) Okay. And I'm just going  
6 over the list of items produced by you to be handed to  
7 your attorneys for the receivership. I don't see any  
8 reference to Hunts Point Intellectual Property document.  
9 Is it possible if that document is not on this list that  
10 you may still be in possession of it?

11 MR. WEYTHMAN: Objection. Assumes facts  
12 not in the record, mischaracterizes the witness's  
13 testimony.

14 THE WITNESS: So are you asking if it's  
15 possible if I still have that document?

16 Q. (BY MR. YURCHAK) Yeah.

17 A. I don't believe it's possible. It is  
18 possible that it went to Clark Nuber. I don't have that  
19 document in my possession.

20 Q. Were you aware of any intent on the part of  
21 Hunts Point Ventures to reincorporate in order to  
22 include Chad Rudkin, Mark Phillips, Doug Lower as  
23 shareholders, Joyce Schweickert, in the May/June 2010  
24 time frame?

25 MR. WEYTHMAN: Objection. Ambiguous.

1 Are you asking if she was aware in May 2010 if that was  
2 going on, or aware at any time that they were intending  
3 that in 2010? That's unclear.

4 MR. YURCHAK: That's being overly  
5 technical.

6 Q. (BY MR. YURCHAK) Are you aware?

7 A. I don't know.

8 Q. You don't know? You'll -- do you see on the  
9 stock subscription agreement that it appears to purport  
10 that Mark Phillips had subscribed to 9200 shares?

11 A. I see that.

12 Q. Okay. Do you have any specific recollection  
13 as to whether there was any intent that the  
14 reincorporation -- the reincorporated Hunts Point  
15 Ventures would issue shares in the amount of 9200 to  
16 Chad Rudkin, Mark Phillips, Doug Lower?

17 MR. WEYTHMAN: Objection. Calls for  
18 speculation. Assumes facts not in the record.

19 THE WITNESS: I don't know.

20 MR. YURCHAK: I have to take a minute to  
21 look at my documents.

22 MR. WEYTHMAN: It's almost lunch.

23 MR. YURCHAK: I was going to ask if you  
24 wanted to do it now or --

25 MR. WEYTHMAN: If you're comfortable

1 with stopping now, we can take lunch now.

2 MR. YURCHAK: That's fine.

3 MR. WEYTHMAN: Okay. About an hour?

4 MR. YURCHAK: An hour. 1 o'clock?

5 MR. WEYTHMAN: Sure. That works.

6 (Recess 11:56 a.m. to 1:00 p.m.)

7

8 EXAMINATION (Continuing)

9 BY MR. YURCHAK:

10 Q. I think we left off discussing your  
11 understanding of Hunts Point Ventures' intent with  
12 respect to recognizing other shareholders other than  
13 Steve. Does that sound generally right to you as far as  
14 where we left off?

15 A. I don't know. Let's go with it.

16 Q. All right. So if I could have you refer back  
17 to Exhibit 2, these were your notes on the second page?

18 MR. WEYTHMAN: I'm going to have to  
19 object to the characterization that they are the  
20 witness's notes. I believe she said they appear to be  
21 similar to her notes.

22 THE WITNESS: Okay.

23 Q. (BY MR. YURCHAK) The exhibit that appears to  
24 look similar to your notes on page 2, do you see on the  
25 second bullet point that it was understood, Steve was to



1 be a sole shareholder, and then all three would join  
2 Steve as 22 percent shareholders?

3 A. Mm-hm (answers affirmatively).

4 Q. And Joyce would have an eight percent  
5 interest?

6 A. Mm-hm (answers affirmatively).

7 Q. Do you recall where you acquired that  
8 understanding?

9 A. I can't say for sure. It was among  
10 conversation with all the people involved.

11 Q. Okay. Do you have any idea -- from your  
12 knowledge of Hunts Point Ventures, has Hunts Points  
13 Ventures recognized Mark Phillips as a shareholder?

14 MR. WEYTHMAN: Objection. Ambiguous.

15 THE WITNESS: When?

16 Q. (BY MR. YURCHAK) At any point in its  
17 corporate life.

18 MR. WEYTHMAN: Objection. Calls for  
19 speculation.

20 THE WITNESS: I don't know how to answer  
21 that. At the point in time when we were the  
22 shareholders of HPV, there wasn't documentation to show  
23 that Mark was a shareholder.

24 Q. (BY MR. YURCHAK) I understand. Insofar as  
25 you're aware, has Hunt Points Ventures at any point

1 recognized him as a shareholder?

2 A. Not as far as I'm aware.

3 Q. What's your understanding as to why it did  
4 not, given your notes regarding the intent that he be  
5 one of the people recognized as a shareholder?

6 MR. WEYTHMAN: Objection. Calls for  
7 speculation. Also, again, the characterization of the  
8 document as the witness's notes. That is not consistent  
9 with witness's testimony.

10 THE WITNESS: So you're -- ask your  
11 question of me.

12 MR. YURCHAK: Could you read back the  
13 question?

14 (Question on Page 96,  
15 Lines 2 through 4,  
16 read by the reporter.)  
17

18 Q. (BY MR. YURCHAK) Why did you not recognize  
19 him?

20 A. I can't say why Steve and Joyce did what they  
21 did in forming the company. I don't know.

22 Q. Okay. On the fourth page of your notes, in  
23 the middle, in the section of "Original Partners,"  
24 there's a line that starts "Intended Shareholders," and  
25 again, you make reference to Steve, Mark, Doug, and Chad

1 as being equal shareholders?

2 A. Mm-hm (answers affirmatively).

3 Q. Based on a Memorandum of Understanding.  
4 What's your knowledge of what the Memorandum of  
5 Understanding is?

6 MR. WEYTHMAN: Same objection regarding  
7 the characterization, misstatement of the witness's  
8 testimony.

9 THE WITNESS: I didn't -- I haven't read  
10 the Memorandum of Understanding. I have a summary idea  
11 of what the intent was. I also know that it was never  
12 executed or signed. And I can't speak to the behavior  
13 of everybody's actions.

14 Q. (BY MR. YURCHAK) Okay. And you said it was  
15 your -- you are aware that it was not signed; is that  
16 right?

17 A. Yes.

18 Q. In that same section I just referred you to,  
19 the last part says, "Not signed by Doug or Mark."

20 A. Mm-hm (answers affirmatively).

21 Q. When you state that certain people did not  
22 sign it, does that mean that other people did sign it?

23 A. I can't be sure. I do recall the day that  
24 that document was talked about to be signed. I don't  
25 know what day that was, but I remember the sort of

1 intent or plan of everyone wanting to. And then I also  
2 remember that Doug and Mark chose not to. I can't speak  
3 to -- as to what reason. And that's all I know about  
4 that.

5 Q. Do you ever recall seeing signatures of  
6 anybody on the document called a Memorandum of  
7 Understanding?

8 A. I can't say.

9 Q. Okay.

10 A. I don't know.

11 Q. Going back to page 2 of your notes --

12 MR. WEYTHMAN: Counsel, can we just  
13 refer to it as Exhibit 2 so I don't have to make that  
14 characterization objection every time?

15 MR. YURCHAK: No problem. I'm sorry.

16 MR. WEYTHMAN: No worries.

17 Q. (BY MR. YURCHAK) Going back to Exhibit 2,  
18 page 2 of Exhibit 2, you make reference to an investment  
19 of 200,000 by Joyce Schweickert?

20 A. Mm-hm (answers affirmatively). Where?

21 Q. Top of the page.

22 A. Okay. I see it.

23 Q. Was there any records or documentation  
24 regarding that 200,000 from Joyce Schweickert?

25 A. No. Not that I ever saw.

1 Q. And do you recall how you chose to represent  
2 that transaction in Hunts Point Ventures' accounting?

3 MR. WEYTHMAN: Objection. Assumes facts  
4 not in the record.

5 THE WITNESS: Handling of that was  
6 identical to all the other handling of transactions that  
7 didn't have supporting evidence.

8 Q. (BY MR. YURCHAK) And how was that handled?

9 A. It was sort of left up in the air to be  
10 determined by the accountants as the process we were  
11 going through.

12 Q. Okay.

13 A. With the accountants.

14 Q. The accountants ever seek out from you  
15 additional information regarding Hunts Point Ventures'  
16 transactions?

17 A. Yes.

18 Q. Did they ever ask you about the Joyce  
19 Schweickert transaction?

20 A. Yes.

21 Q. Did you ever reach out to Joyce Schweickert  
22 for information about that transaction?

23 A. Yes.

24 Q. And when did that occur?

25 A. I can't be specific as to dates, but there

1 were phone calls, as well as a lunch.

2 Q. Okay. And what was your understanding of  
3 what -- of how Joyce represented what that money was?

4 MR. WEYTHMAN: Objection. Assumes facts  
5 not in the record.

6 THE WITNESS: At that lunch, Joyce  
7 explained to us that she didn't want to have anything to  
8 do with HPV. She didn't want her money back. She  
9 didn't want anything to do with anything with HPV.

10 Q. (BY MR. YURCHAK) And who was present at the  
11 lunch?

12 A. Chad, Joyce and myself.

13 Q. And did she give a reason why she didn't want  
14 any of her money back?

15 A. Not on that occasion.

16 Q. Did she give an indication on -- did she say  
17 something about that on a different occasion?

18 A. Yes.

19 Q. And what did she say about why?

20 A. It would be hearsay. I didn't hear it  
21 directly from her.

22 Q. Oh. I understand. Sometimes comments --  
23 things that are said in a deposition aren't always  
24 proper evidence, but we can ask about it anyway. So  
25 even though it's hearsay, do you still recall?

1           A.     My understanding was that she -- because of  
2     her gaming license in Nevada, that she didn't want to be  
3     associated with Mark Phillips in regards to what was  
4     going on with his criminal investigation and such. That  
5     was the understanding. We had the lunch, because we  
6     were now then the shareholders of HPV, to understand her  
7     loan or investment, we wanted to be able to properly  
8     classify it and understand what her wants and desires  
9     and expectations were, because we couldn't find the  
10    evidence, and we were simply given she didn't want to  
11    have anything to do with it.

12          Q.     Did you ask her to sign anything?

13          A.     No.

14          Q.     At that time?

15          A.     No. It was a very casual lunch for the  
16    purpose of discussing HPV, but not a business formal  
17    setting.

18          Q.     Sure. And you don't ever recall when that  
19    occurred, approximately?

20          A.     Not -- I can't even -- let me see. It may be  
21    a stretch, but I think it was near the time when we were  
22    having our board meeting or we invited people to the  
23    board meeting, and that was in August 2012, I believe,  
24    so probably somewhere near that date. But again, I'm  
25    guessing.

1 Q. Okay. On the same page of Exhibit 2, you  
2 discussed Sandy Hoover loan?

3 A. Uh-huh (answers affirmatively).

4 Q. And for the record, Sandy Hoover is -- who's  
5 Sandy Hoover?

6 A. She's my mother.

7 Q. And did she give money to Hunts Point  
8 Ventures?

9 A. Yes.

10 Q. And how much did she give?

11 A. I think it was 100,000.

12 Q. Was she owed any interest on that loan?

13 A. Yes.

14 Q. Do you recall if Hunts Point Ventures ever  
15 paid any interest on that loan?

16 A. No.

17 Q. And why --

18 A. Yes, I recall. No, we did not.

19 Q. Thanks for being precise. And why was that?

20 A. We had a discussion with her relative to the  
21 state of HPV and its mission of pursuing litigation to  
22 create income. And at that state there wasn't a lot of  
23 money in HPV, and so she verbally agreed on multiple  
24 occasions to put a stay on her note, in an effort to  
25 allow HPV to continue to litigate in the hopes of making



1 money.

2 Q. Do you recall at what point her principal --  
3 her interest payments were due on the principal?

4 A. I know it's in the note, but I don't know  
5 what it is. I don't remember.

6 Q. Are you aware if HPV ever had funds available  
7 to it to make payments to any of its creditors?

8 MR. WEYTHMAN: Objection. Calls for  
9 speculation.

10 THE WITNESS: Without having the  
11 documentation in front of me, I can't speak to the bank  
12 account.

13 Q. You note that it appears Ms. Hoover had  
14 conversations with Mark, Chad, and Steve in the spring  
15 of 2010?

16 A. Mm-hm (answers affirmatively).

17 Q. Is that an accurate statement?

18 MR. WEYTHMAN: Objection. Vague.  
19 Ambiguous.

20 THE WITNESS: To the best of my  
21 knowledge.

22 Q. (BY MR. YURCHAK) Do you know if Mark ever had  
23 conversations with Ms. Hoover after the spring of 2010?

24 MR. WEYTHMAN: Objection. Foundation.  
25 Personal knowledge. Calls for speculation.

1 THE WITNESS: I don't know what  
2 individual conversation they may or may not have had. I  
3 was present for conversation at a dinner at her home.

4 Q. (BY MR. YURCHAK) And do you recall when that  
5 dinner was?

6 A. I think it was in the fall after Mark was  
7 released.

8 Q. Was it prior to her making a loan?

9 MR. WEYTHMAN: Objection. Misstates the  
10 witness's testimony, as far as being a loan.

11 THE WITNESS: You're saying it's a --  
12 are we trying to characterize whether this is a loan or  
13 an investment?

14 Q. (BY MR. YURCHAK) No.

15 A. Okay. So your question was -- no.

16 Q. My question --

17 A. When Mark was released it was --

18 Q. You recall --

19 A. -- well after the loan had taken place.

20 Q. Are you talking about 2012?

21 MR. WEYTHMAN: Objection. Ambiguous.

22 Q. (BY MR. YURCHAK) I'm asking if you recall  
23 when -- you mentioned Mark coming for a dinner?

24 A. Yes.

25 Q. With you and Sandy?

1 A. Yes.

2 Q. And you said that happened after his release?

3 A. Correct.

4 Q. I guess we should define what you mean by  
5 "release," because I understood there were different  
6 points in time in 2010 when he was released?

7 A. Okay. That's true. So the last time that  
8 Mark was out of jail.

9 Q. For good?

10 A. Yeah, the last time.

11 Q. Okay. Also in your notes, in the last  
12 sentence you write, "It was also believed by Sandy that  
13 Steve was the sole shareholder at HPV and that Chad  
14 Rudkin was an operating director and intended  
15 shareholder of HPV."

16 MR. WEYTHMAN: Objection. Assumes facts  
17 not in the record, that the witness actually wrote this.

18 Q. (BY MR. YURCHAK) Did you recall writing that  
19 statement?

20 A. Can you identify it again?

21 Q. It's just the last sentence of the paragraph  
22 beginning 10/15/10.

23 A. Oh.

24 Q. Using that to try to refresh your  
25 recollection, do you recall where -- from whom you

1 acquired the knowledge that Chad Rudkin was an operating  
2 director?

3 A. I don't know.

4 Q. On the third page of your notes -- on the  
5 third page of Exhibit 2, at the top of -- there's  
6 discussion about Joyce Schweickert, Joyce Schweickert's  
7 resignation.

8 A. Mm-hm (answers affirmatively).

9 Q. When was your understanding about when she  
10 formally resigned? What is HPV's understanding about  
11 when she formally resigned?

12 MR. WEYTHMAN: Objection. Speculation.  
13 Assumes facts not in the record.

14 THE WITNESS: I can't speak to HPV's  
15 understanding, but I can tell you that when I got that  
16 box of crap from Steve, it was the first time that it  
17 was brought to my awareness that Joyce was ever a  
18 shareholder of HPV up until that point. We didn't have  
19 knowledge that she was a shareholder.

20 Q. (BY MR. YURCHAK) Do you feel that you're able  
21 to speak for HPV prior to the time of your involvement  
22 on the date of May 29, 2012, as was indicated in Exhibit  
23 3?

24 MR. WEYTHMAN: Objection. Vague.  
25 Ambiguous. Unintelligible.

1 THE WITNESS: I don't feel I can speak  
2 on behalf of HPV. I feel like I could speak on behalf  
3 of my understanding.

4 Q. (BY MR. YURCHAK) And what do you mean by that  
5 statement?

6 A. I wasn't in any capacity to do -- to perform  
7 HPV business. And clearly we were going through a  
8 personal tragedy. So though we were aware of things  
9 brought to our attention, we weren't directly involved.

10 Q. Do you recall, according to HPV's records,  
11 when her resignation occurred?

12 MR. WEYTHMAN: Objection. Assumes facts  
13 not in the record.

14 THE WITNESS: I can't say for certain,  
15 but I believe it was towards the end of 2010.

16 Q. (BY MR. YURCHAK) Would it make sense, if  
17 these are your notes in Exhibit 2, that the dates you  
18 indicate would have been the time at which the different  
19 events described would have occurred?

20 MR. WEYTHMAN: Objection. Calls for  
21 speculation. Vague. Ambiguous.

22 THE WITNESS: I think I would be  
23 speculating on what's in front of me.

24 Q. (BY MR. YURCHAK) Mm-hm. Would it help to  
25 look at the dates for other entries, for instance, the

1 one below it, dated 1/1/2011, describing the time that  
2 Chad became a 50 percent shareholder? Would it help to  
3 look at the date below that, 4/29/11, Jennifer  
4 Schweickert invested 200K?

5 A. Sure. If these are my notes, my efforts were  
6 in an attempt to put together a time line of events.

7 Q. Okay. So if these are your notes, then you  
8 were endeavoring to create an accurate time line of when  
9 those events occurred?

10 A. Yes.

11 (Exhibit No. 5 marked  
12 for identification.)

13 Q. Do you -- can you identify Exhibit 5?

14 A. It appears to be an invoice from Newman and  
15 Du Wors to HPV.

16 Q. Have you ever seen such similar invoices  
17 before while working?

18 A. Yes.

19 Q. As an officer of Hunts Point Ventures?

20 A. Yes.

21 Q. And if I could direct your attention to the  
22 second page, do you see the date, February 8th, '11?

23 A. Mm-hm (answers affirmatively).

24 Q. And do you see the description of services  
25 performed, which includes a resignation of Joyce

1 Schweickert?

2 A. Yep.

3 Q. Board Resolution to Accept the Resignation?

4 A. Yep.

5 Q. Does HPV have any explanation as to why its  
6 attorney performed that work on February 8th, 2011, when  
7 the -- when, upon your belief and understanding, the  
8 resignation was finalized as of December 2010?

9 MR. WEYTHMAN: Objection. Calls for  
10 speculation. Misstates and mischaracterizes the  
11 witness's testimony. Assumes facts not in the record.  
12 No foundation that the statement here actually is true.  
13 You can answer if you understand the question.

14 THE WITNESS: You would have to ask  
15 Steve. I wasn't there.

16 Q. (BY MR. YURCHAK) You've never had any  
17 conversation with anybody about the backdating of Joyce  
18 Schweickert's resignation from Hunts Point Ventures?

19 MR. WEYTHMAN: Objection. Assumes facts  
20 not in the record.

21 THE WITNESS: Have I had conversations  
22 with anybody regarding backdating?

23 Q. (BY MR. YURCHAK) Of Joyce Schweickert's  
24 resignation from Hunts Point Ventures?

25 A. Not that I recall.

1 Q. And does Hunts Point Ventures have any  
2 explanation, if it were true that Joyce Schweickert's  
3 resignation was backdated, as to why that happened?

4 MR. WEYTHMAN: Objection. Calls for  
5 speculation. Again, the witness has already stated that  
6 she can't testify on behalf of HPV.

7 THE WITNESS: I can't. You'd have to  
8 ask Steve.

9 Q. (BY MR. YURCHAK) Did Hunts Point Ventures  
10 recognize that Joyce was a shareholder at any point in  
11 time?

12 MR. WEYTHMAN: Objection. Calls for  
13 speculation.

14 THE WITNESS: I feel like you'd have to  
15 ask Steve.

16 Q. (BY MR. YURCHAK) You presently are unable to  
17 answer whether Joyce Schweickert was a shareholder at  
18 any point in time at Hunts Point Ventures?

19 MR. WEYTHMAN: Objection. Asked and  
20 answered.

21 Q. (BY MR. YURCHAK) Is that correct?

22 A. I can't answer for HPV. Are you asking me  
23 or are you asking on behalf of HPV?

24 Q. On behalf of HPV.

25 A. Okay. I can't answer for HPV.



1 (Exhibit No. 6 marked  
2 for identification.)

3 Q. Exhibit 6 should be to your right. Does  
4 Hunts Point Ventures recognize this document?

5 MR. WEYTHMAN: Objection. Speculation.  
6 Foundation. Personal knowledge. Again, the witness has  
7 testified that she can't represent anything for HPV. If  
8 you'd like to depose HPV, you can send a subpoena to  
9 HPV's counsel and you can ask them to send a  
10 representative to sit for deposition.

11 MR. YURCHAK: Well, I am asking  
12 questions of HPV. And my understanding, under the civil  
13 rules, 30, subsection D, I believe, the rules state that  
14 I may notice a corporation to have a representative  
15 appear, but that I'm not required to follow that  
16 procedure in order to depose a corporation. I am  
17 seeking to have Hunts Point Ventures' testimony on the  
18 record regarding the state of its corporate affairs. If  
19 that's an issue for you, I think we need to address it  
20 now. And I can -- we can look specifically at the rule  
21 if you'd like.

22 MR. WEYTHMAN: Go ahead.

23 MR. YURCHAK: So I'm reading off of C R  
24 30(b)(6). "A party may in his notice name as a deponent  
25 a public or private corporation. In that event the

1 organization so named shall designate one or more  
2 officers to testify on its behalf." And the last  
3 sentence is, "This subsection does not preclude taking a  
4 deposition by any other procedure authorized in these  
5 rules."

6 MR. WEYTHMAN: Correct. That doesn't  
7 give my client personal knowledge or representative  
8 capacity to testify on behalf of a corporation she no  
9 longer controls. So you can ask all the questions you  
10 want to of HPV, but my client can't represent anything  
11 on behalf of HPV. She's already testified as such.

12 MR. YURCHAK: Your client was and still  
13 is an officer of HPV.

14 MR. WEYTHMAN: That's a legal  
15 conclusion, and I can't testify to that.

16 MR. YURCHAK: That's plain on its face,  
17 according to the corporate documents, that she's an  
18 officer of HPV and remains so to this day, and has  
19 signed corporate resolutions saying that she adopts and  
20 ratifies everything done by the corporations since its  
21 inception. HPV has no other officers to depose.  
22 There's no one else to go to. The corporation is, after  
23 all, its people. And there are only two people, as you  
24 know, involved in this corporation. So there is no one  
25 else to ask questions of regarding HPV. If your client

1 wishes to state as her testimony on behalf of HPV that  
2 she's not authorized to give testimony, then I guess  
3 that's what the record's going to reflect. I think what  
4 I simply need to know is that we have an understanding  
5 that the questions are being posed to HPV and that these  
6 are the answers that I am receiving from the  
7 corporation. And if we don't have that understanding,  
8 then we need to discuss that.

9 MR. WEYTHMAN: We don't have that  
10 understanding.

11 MR. YURCHAK: Then what is your  
12 understanding?

13 MR. WEYTHMAN: That my client can't  
14 testify on behalf of HPV.

15 MR. YURCHAK: Okay. If I were to notice  
16 you -- if I were to notice HPV, whom would it produce to  
17 provide testimony?

18 MR. WEYTHMAN: I don't know. I don't  
19 represent HPV. That's up to the corporation, according  
20 to the rule.

21 MR. YURCHAK: As far as I'm still aware,  
22 your firm has a notice of appearance on file for Hunts  
23 Point Ventures. You have assigned its asset to a  
24 receiver, but you still have an effective notice of  
25 appearance which you kept on file even after the

1 receivership was filed last November.

2 MR. WEYTHMAN: My firm's representation  
3 of HPV has been terminated.

4 MR. YURCHAK: How so?

5 MR. WEYTHMAN: We were fired.

6 MR. YURCHAK: I believe I received a  
7 notice of withdrawal to which we objected.

8 MR. WEYTHMAN: That's fine. That's  
9 based off the fact that my firm's been terminated.

10 MR. YURCHAK: I feel as if this would  
11 not be a productive use of time for your client to  
12 terminate a deposition and renote it following your  
13 logic, that you've been terminated, and renote it with  
14 -- through the receiver and have them produce the same  
15 witness that's here today.

16 MR. WEYTHMAN: Counsel, I can't -- one  
17 of the issues is if I'm not representing HPV, how can I  
18 object on behalf of HPV? I can't represent HPV. I  
19 can't make decisions for HPV. I'm not authorized to do  
20 that. It would be illegal practice of law to do that.  
21 I can't make those decisions.

22 MR. YURCHAK: Yeah.

23 MR. WEYTHMAN: So as I said before, if  
24 you want HPV to designate a representative, you need to  
25 subpoena HPV.

1 MR. YURCHAK: Okay. I'll take a minute  
2 with my client, but we'll probably continue, and I  
3 won't --

4 MR. WEYTHMAN: If --

5 MR. YURCHAK: -- ask questions of HPV.

6 MR. WEYTHMAN: Right. If you want to  
7 ask questions regarding her personal knowledge, you're  
8 welcome to do that, but it puts us in a legal conundrum  
9 with the status of the corporation and the status of its  
10 representation.

11 (Pause in proceedings.)

12 Q. (BY MR. YURCHAK) Okay. So for the record, I  
13 will direct my questioning towards what your personal  
14 knowledge was as -- during the time of your role as an  
15 officer.

16 I can't remember where I left off.

17 MR. WEYTHMAN: We'd just received  
18 Exhibit 6.

19 Q. (BY MR. YURCHAK) Exhibit 6. Okay. Do you  
20 have any -- do you recognize Exhibit 6?

21 A. Yes, it looks familiar.

22 Q. And is it something you may have seen before?

23 A. Without being able to compare it to the  
24 original document that I know to be true, it looks to be  
25 it, but I can't -- I can't verify specifically.

1 Q. Okay. Does this document -- would you agree  
2 that this document is a document between Hunts Point  
3 Ventures and Joyce Schweickert?

4 A. It appears to be the stock redemption and  
5 indemnification agreement between Hunts Point Ventures  
6 and Joyce Schweickert.

7 Q. So does that mean to you that Joyce  
8 Schweickert had stock in Hunts Point Ventures?

9 MR. WEYTHMAN: Objection. Calls for  
10 legal conclusion.

11 Q. (BY MR. YURCHAK) Do you see in the second  
12 paragraph that -- I'll strike the last question -- that  
13 the seller is the record and beneficial owner of 50  
14 shares?

15 A. In the last paragraph?

16 Q. Second paragraph.

17 A. I'm sorry. Yes.

18 Q. Is it your understanding that Joyce  
19 Schweickert had 50 shares in Hunts Point Ventures?

20 A. It is.

21 Q. Okay. So my question is, if you had any  
22 doubts about whether you were to recognize Mark  
23 Phillips' shares in Hunts Point Ventures, would it have  
24 made sense to ask Joyce Schweickert's opinion about  
25 that?

1 MR. WEYTHMAN: Objection. Vague.  
2 Ambiguous.

3 THE WITNESS: At the time we became  
4 shareholders of HPV, Steve Schweickert was the sole  
5 shareholder of HPV.

6 Q. (BY MR. YURCHAK) Correct.

7 A. So we sought clarification from HPV's  
8 attorney and from Steve Schweickert.

9 Q. Would you agree that Joyce Schweickert,  
10 according to the date on Exhibit 6, signed a document on  
11 December 31st, 2010, wherein she sold her shares to Hunts  
12 Point Ventures?

13 MR. WEYTHMAN: Objection. Lacks  
14 foundation. We haven't established the documents on  
15 that.

16 THE WITNESS: If this is the actual  
17 agreement, then it appears that that's true.

18 Q. (BY MR. YURCHAK) Would that mean to you that  
19 she was a shareholder in 2010 for Hunts Point Ventures?

20 A. Yes.

21 Q. If there was any dispute as to whether there  
22 were other people who were supposed to be shareholders  
23 during that same period, would it make sense to you as a  
24 current officer to ask someone like Joyce Schweickert  
25 her opinion as to whether or not her corporation

1 recognized other shareholders from that period of time?

2 MR. WEYTHMAN: Calls for speculation.

3 Lay opinion.

4 THE WITNESS: Are you asking if it  
5 occurred to me?

6 Q. (BY MR. YURCHAK) (Nods head affirmatively).

7 A. Yes, it occurred to me.

8 Q. And did you ever take any steps to ask Joyce  
9 Schweickert that question?

10 MR. WEYTHMAN: Objection. Ambiguous.  
11 What question?

12 Q. (BY MR. YURCHAK) To ask what her  
13 understanding was as to whether Hunts Point Ventures had  
14 intent to recognize others as shareholders in 2010.

15 A. I can't be sure if I asked her or not.

16 Q. Okay. Now, do you recall working to deal  
17 with the issue of how to book -- in HPV's accounting  
18 records, any funds that had received from Mark Phillips?

19 MR. WEYTHMAN: Objection. Ambiguous.  
20 Vague.

21 THE WITNESS: Do I recall? I'm sorry.  
22 I forgot --

23 Q. (BY MR. YURCHAK) Do you recall working to try  
24 to book -- to understand how to book any funds received  
25 from Mark Phillips to Hunts Point Ventures?



1 A. Yes.

2 Q. And do you recall what the amounts were?

3 A. Vaguely, but not specifically.

4 Q. What do you vaguely recall it being?

5 A. I recall somewhere in the neighborhood of  
6 75,000 coming in from investment accounts, liquidated  
7 investment accounts.

8 Q. Did you come to a final determination on how  
9 to book that?

10 A. My recollection at the time was that it was  
11 to pay back moneys paid out on his behalf.

12 Q. Okay. So what is your understanding of the  
13 moneys that were paid out on his behalf?

14 A. I could never figure out or understand why  
15 Steve Schweickert, HPV, paid out personal moneys on  
16 Mark's behalf.

17 Q. And what do you mean by "personal moneys"?

18 A. It appeared by documents that I was given  
19 that they were personal debts to be repaid.

20 Q. So your characterization of the word  
21 "personal" refers to Mark Phillips' personal debts?

22 A. Correct.

23 Q. Okay. And do you recall what those debts  
24 consisted of?

25 A. There were several that were legal expenses.

1 One for a storage unit, I believe. One to pay off --  
2 one being a transaction. I can't recall the quantity.  
3 To pay off an architect.

4 Q. Do you have a vague recollection -- that's my  
5 assumption -- of how much money HPV paid out on Mark  
6 Phillips' behalf?

7 A. I'm going to go with the vague assumption,  
8 but somewhere in the neighborhood of 125, 130,000.

9 Q. And did HPV ever get any money from Mark  
10 other than 75 -- from what you recall being \$75,000?

11 MR. WEYTHMAN: Objection. Calls for  
12 speculation. Are you referring to the time when she had  
13 control or ever?

14 MR. YURCHAK: Ever.

15 MR. WEYTHMAN: Then it calls for  
16 speculation.

17 THE WITNESS: Not that I'm aware.

18 Q. (BY MR. YURCHAK) Would it be your position,  
19 as the secretary and treasurer, that Mark Phillips owes  
20 HPV money?

21 A. That is certainly something I was trying to  
22 understand as I was going through the general ledger  
23 that we were attempting to put together based on the  
24 documentation we had.

25 Q. Okay. Did you ever come to any

1 understanding?

2 A. All of the -- I can't say all -- most of the  
3 transactions were not confirmed in a finalized general  
4 ledger format. They were being investigated.

5 Q. Okay. And does Hunts Point Ventures claim  
6 any money spent on Mark Phillips' behalf due to clearing  
7 up title to the patents that he had sold Hunts Point  
8 Ventures in August 2010?

9 MR. WEYTHMAN: Objection. Calls for  
10 speculation. She's already testified that she can't  
11 represent or make representations for Hunts Point  
12 Ventures.

13 Q. (BY MR. YURCHAK) Did you make any request for  
14 repayment from Mark Phillips due to legal services paid  
15 on his behalf by the corporation to clear up title to  
16 patents that he sold to Hunts Point Ventures in August  
17 of 2010?

18 A. Did I make a request for repayment? Did I  
19 misunderstand?

20 Q. Did you -- did you -- do you feel the  
21 corporation was owed that money?

22 MR. WEYTHMAN: Objection. Calls for lay  
23 opinion, legal conclusion.

24 Q. (BY MR. YURCHAK) For legal services to clear  
25 up patents?

1 MR. WEYTHMAN: Same objections.

2 THE WITNESS: I can't -- I can't clarify  
3 whether that was a corporate expense or a payment to be  
4 sought of reimbursement. At this time I can't clarify  
5 that.

6 Q. (BY MR. YURCHAK) Why is that? Do you recall  
7 -- let me strike that. Do you recall if any payments  
8 for legal services were made to attorneys to clear up  
9 title to patents that Mark Phillips sold to HPV?

10 A. My understanding is that yes.

11 Q. And what's your understanding about that?

12 A. That HPV paid money to attorneys to clear up  
13 the ownership status of the IP.

14 Q. Do you recall what they were trying to -- do  
15 you recall why there was an issue with title?

16 MR. WEYTHMAN: Objection. Depending on  
17 what the time line is, this potentially calls for  
18 speculation.

19 Q. (BY MR. YURCHAK) Would it help refresh your  
20 recollection to look at Exhibit 2 on page 3?

21 A. Mm-hm (answers affirmatively).

22 Q. Where it's indicated that, "Funds were  
23 necessary to settle Mark's civil litigation with MOD,  
24 freeing up the IP license that had been exclusively  
25 contracted to MOD." Does it help refresh your

1 recollection about why title to the patents was not  
2 clear -- free and clear at the time of the sale?

3 A. This refreshes my recollection, and this is  
4 my recollection in the most simplistic form.

5 Q. Okay. What do you now recall about why the  
6 title to the patents was not clear?

7 A. My understanding was that Mark had  
8 represented the patents as being free and clear when  
9 they were purchased, when in fact there was a licensing  
10 agreement with MOD in place.

11 Q. Okay. And I believe you said -- and again,  
12 to be clear, so the money spent to deal with that issue  
13 is -- is that money that you have indicated the  
14 corporation is entitled to reimbursement for?

15 MR. WEYTHMAN: Objection. Asked and  
16 answered.

17 THE WITNESS: I don't recall that we  
18 took that position.

19 Q (BY MR. YURCHAK) So what position do you take  
20 with respect to any money spent on freeing up the title  
21 to the patents?

22 A. Well, it was the cost of doing business, and  
23 it seemed that perhaps Mark had engaged in  
24 misrepresenting that his patents were free and clear  
25 when he sold them to HP V.

1 Q. Do you know how the corporation has booked  
2 the money that was spent on that issue?

3 A. No. I can't be sure.

4 Q. Have you ever made any representation to  
5 anyone, including the court, that the corporation may be  
6 entitled to that money as a breach of warranty claim?

7 A. No.

8 Q. No?

9 A. (Witness shakes head negatively).

10 (Exhibit No. 7 marked  
11 for identification.)

12 Q. Looking at Exhibit 7, is this a document that  
13 you recall having seen before?

14 A. It appears to be the purchase and sale  
15 agreement. That's not the copy that I've seen, but it  
16 appears to look like it.

17 Q. So you're saying that you've seen a different  
18 copy?

19 A. I'm saying that I can't verify anything  
20 without the exact documentation that I've held in my  
21 hand.

22 Q. Did you keep a copy of that documentation  
23 that you provided in a box to your attorneys?

24 A. I don't know about keeping a copy, but I  
25 probably have a digital copy --

1 Q. Why is that?

2 A. -- on the computer. Because we have e-mail.

3 Q. Did you ever scan any of the -- of the  
4 corporation's documents as you were working on them into  
5 the computer?

6 A. It's possible.

7 Q. Looking at the -- just the first page,  
8 paragraph 3, subsection B, it states that the  
9 purchaser's obligation to pay up to a million dollars of  
10 sellers' attorneys' fees, et cetera, in the matters of  
11 Phillips vs. MOD, provided that these fees are incurred  
12 on or after 2010. Might this be a reason, according to  
13 the terms of the settlement agreement, why, as you said,  
14 you're not seeking any breach of warranty claim against  
15 Mr. Phillips for the money spent to clear title on the  
16 sale agreement of the patents?

17 MR. WEYTHMAN: Objection. Calls for  
18 speculation. Calls for impermissible lay opinion, legal  
19 conclusion.

20 THE WITNESS: I wasn't a part of HPV at  
21 the time that this contract was made, or any of the  
22 agreements you're discussing. So the transactions and  
23 conclusions that took place were done by HPV, which at  
24 the time was Steve Schweickert.

25 Q. (BY MR. YURCHAK) Okay. And do you see in

1 paragraph 3(a) that the purchaser shall pay to sellers'  
2 representative in an amount equal to \$100,000 dollars?

3 A. I see that.

4 Q. Were you aware of that term in this contract  
5 that had been made when you were working as an officer  
6 in Hunts Point Ventures?

7 A. I didn't have this in front of me as I was  
8 attempting to classify transactions, if that's what  
9 you're asking.

10 Q. Just asking if you were aware of it.

11 A. I had possession of the Purchase and Sale  
12 Agreement. This particular 3(a) wasn't brought out to  
13 my attention as something that needed attention.

14 Q. Who typically would bring to your attention  
15 things that needed attention?

16 A. Our attorney.

17 Q. Would you ever take any action on your own  
18 with respect to Hunts Point Ventures if your attorney  
19 did not bring anything to your attention?

20 A. Action meaning doing research? Yes.

21 Q. Okay. Was that -- was doing research  
22 something you did on your own outside of your attorney  
23 asking you or directing you to do something?

24 MR. WEYTHMAN: Objection.

25 Unintelligible.



1 THE WITNESS: Yes. I did research on my  
2 own without my attorney's direction.

3 Q. (BY MR. YURCHAK) Okay. Did you ever take any  
4 action with respect to your role as an officer of Hunts  
5 Point Ventures independent of any advice from your  
6 attorney? And I can rephrase that too. Was it your  
7 common practice and habit to only take action with  
8 respect to decisions of the company after receiving  
9 advice from your attorney?

10 A. In the decision-making process, I sought  
11 legal counsel's advice.

12 Q. Uh-huh.

13 A. Maybe if you could be more specific about  
14 what action, because I'm unsure of what you're asking.

15 Q. It's hard to be more specific. I'm trying to  
16 get a general sense of how you made your decisions when  
17 a decision needed to be made. What was typical process  
18 that -- in how decisions were made?

19 A. Most of our legal -- most of our decisions  
20 were legally based, and those all went per the guidance  
21 of our attorney. Any other decisions to be made  
22 regarding HPV that were made independently or in seeking  
23 professional guidance regarding finance, those were the  
24 only actions we took on behalf of HPV.

25 Q. Okay. So because your attorney did not make

1 you aware of the term of this contract, that is the  
2 reason why you did not become aware of it?

3 MR. WEYTHMAN: Objection.  
4 Mischaracterizes the witness's testimony.

5 THE WITNESS: You're suggesting I took  
6 action based on this term?

7 Q. (BY MR. YURCHAK) No. I'll strike the  
8 question.

9 Are you aware in the work that you did, in  
10 trying to understand the accounting of Hunts Point  
11 Ventures, if Hunts Point Ventures ever made a payment  
12 under this contract to Mark Phillips for \$100,000?

13 MR. WEYTHMAN: Objection. Calls for  
14 speculation.

15 THE WITNESS: I can't say. I'm not  
16 aware.

17 Q. (BY MR. YURCHAK) Okay. Now, some of the  
18 decisions that were made in Hunts Point Ventures  
19 occurred around the end of 2012. Do you recall what  
20 decisions I may be referring to?

21 MR. WEYTHMAN: Objection. Leading.  
22 Ambiguous. Apparently assumes facts not in the record.  
23 If you can read counsel's mind, you can answer.

24 Q. (BY MR. YURCHAK) At the end of 2012 -- and  
25 I'll strike the last question -- did you work -- what

1 did -- was there a loan made to Hunts Point Ventures?

2 A. I believe so.

3 Q. Were you involved in the process of the  
4 making of that loan?

5 MR. WEYTHMAN: Objection. Ambiguous.  
6 Vague.

7 THE WITNESS: Involved in the process?  
8 Yes, I would have to say that I was.

9 Q. (BY MR. YURCHAK) And as you seem to do with  
10 other decisions -- as you seem to do with other things  
11 that required decision-making, did you also in this  
12 instance seek out the advice of your attorney in the  
13 making of the loan at the end of 2012, Hunts Point  
14 Ventures?

15 A. Yes, I did.

16 Q. Who do you recall that loan being made -- who  
17 were the parties to that loan that was made at the end  
18 of 2012?

19 A. I'm assuming you're referring to the loan  
20 between Sandy Hoover and HPV.

21 Q. Okay.

22 A. Is that correct?

23 Q. Were there other loans that were made during  
24 that time frame?

25 A. Not that I recall.

1 Q. Do you recall if there were any board  
2 resolutions that were made for that loan?

3 A. Board resolution, I can't be sure.

4 Q. And do you recall when that loan was signed?

5 MR. WEYTHMAN: Objection. Assumes facts  
6 not in the record.

7 Q. (BY MR. YURCHAK) Do you recall when that loan  
8 was signed?

9 A. No, I don't know the date.

10 (Exhibit No. 8 marked  
11 for identification.)

12 Q. Exhibit 8. How do you recognize Exhibit 8?

13 A. It looks familiar.

14 Q. What does it look familiar as?

15 A. It looks like a promissory note.

16 Q. Who is it between?

17 A. Hunts Point Ventures and Sandy Hoover.

18 Q. Do you recall who prepared that promissory  
19 note?

20 A. I do not.

21 Q. You don't recall?

22 A. Hm-mm (answers negatively).

23 Q. And do you see where the promissory note was  
24 dated?

25 A. It says January 14th, 2013.

1 Q. It's your understanding that that's when the  
2 promissory note was actually dated?

3 A. I can't recall.

4 Q. Do you have any -- okay. And what was the --  
5 how much was the promissory note made for? What was the  
6 sum, money being loaned?

7 MR. WEYTHMAN: Objection. Ambiguous.  
8 Are you referring to the amount of the document as  
9 Exhibit 8 or the loan that she recalls?

10 MR. YURCHAK: No, I'm -- the document.

11 THE WITNESS: The loan in the document  
12 says \$20,000.

13 Q. (BY MR. YURCHAK) And was that a transaction  
14 that you authorized as an officer of Hunts Point  
15 Ventures?

16 A. Yes.

17 Q. What was the corporate purpose for that loan?

18 A. To acquire funds for HPV.

19 Q. And what were the funds intended to be used  
20 for?

21 A. I believe HPV was low on funds. We had a  
22 case pending that promised to bring in money to HPV.  
23 But we needed a bridge loan to get us to that point.

24 Q. Okay. Did HPV have any funds in its account  
25 during this time frame at the end of 2012?

1 A. I don't know the answer to that.

2 Q. Would it stand to reason that it had no money  
3 if it was seeking a bridge loan?

4 A. That sounds reasonable.

5 Q. Do you recall how the money was spent?

6 MR. WEYTHMAN: Objection. Assumes facts  
7 not in the record.

8 THE WITNESS: I believe it was used to  
9 purchase shares from Steve Schweickert.

10 (Exhibit No. 9 marked  
11 for identification.)

12 Q. (BY MR. YURCHAK) Do you recognize this  
13 document?

14 A. It looks like the Share Purchase Agreement  
15 between HPV and Steve Schweickert.

16 Q. Was this document that you authorized as an  
17 officer -- in your role as an officer?

18 A. If this is the actual document, we did  
19 authorize the Share Purchase Agreement.

20 Q. And how much -- who were the parties to this  
21 agreement?

22 A. Steve Schweickert and Hunts Point Ventures  
23 are the two signers.

24 Q. And how much does the document show was paid  
25 -- this document reflects what transactions?

1 MR. WEYTHMAN: Objection. Calls for  
2 speculation.

3 THE WITNESS: It reads that it's a  
4 transaction between Steve Schweickert and HPV, where  
5 Steve Schweickert is selling his shares to HPV.

6 Q. (BY MR. YURCHAK) Okay. And how much is he  
7 selling the shares for?

8 A. The document says \$20,000.

9 Q. And where do you read that?

10 A. Section B, Agreement, line 2.

11 Q. Do you see the numbers that are written?

12 A. Yeah.

13 Q. And how do you read those numbers?

14 A. It appears that it reads 20 million.

15 Q. Do you have any explanation why the writing  
16 is 20,000, and the numbers say 20 million?

17 MR. WEYTHMAN: Objection. Calls for  
18 speculation. Foundation. No personal knowledge of this  
19 particular document.

20 THE WITNESS: Are you waiting for me to  
21 respond?

22 Q. (BY MR. YURCHAK) Yeah.

23 A. I can't say. It appears to be a mistake.

24 Q. Okay. And what do you think the correct  
25 amount is that Mr. Schweickert was owed for his shares?

1 A. 20,000.

2 Q. Okay. Did Hunts Point Ventures have any  
3 funds at the time this was executed in order to pay  
4 Mr. Schweickert?

5 A. I can't say.

6 Q. Why is that?

7 A. I don't have access to the bank account  
8 information.

9 Q. To the best of your recollection, did it have  
10 any funds?

11 MR. WEYTHMAN: Objection. Calls for  
12 speculation.

13 Q. (BY MR. YURCHAK) At the time this was signed?

14 A. Did HPV have \$20,000 to pay Steve  
15 Schweickert?

16 Q. At the time this was executed.

17 A. Again, unless I'm sitting in front of our  
18 finances, I can't say.

19 Q. On the handwritten -- in the handwriting, do  
20 you see any handwriting on this document?

21 A. I do.

22 Q. Do you recognize either -- what do you  
23 recognize that handwriting to be on the right margin?

24 A. It looks like an initial.

25 Q. Do you recognize the initials?



1 A. I don't. I'd have to guess.

2 Q. What would your guess be?

3 MR. WEYTHMAN: Objection. Calls for  
4 speculation.

5 THE WITNESS: One appears to be very  
6 similar to Steve Schweickert. The other appears to be a  
7 JD.

8 Q. (BY MR. YURCHAK) Do you know anyone with the  
9 initials of JD?

10 A. I would have to assume that would be our  
11 attorney, John Du Wors.

12 Q. Do you know why his initials appear there?

13 A. I don't.

14 Q. Do you know if he was given authority over  
15 the execution of this document?

16 A. Yes, I do.

17 Q. What authority was he given?

18 A. He had the authority to carry out this  
19 transaction.

20 Q. And where did that authority come from?

21 A. Myself and Chad.

22 Q. Okay. And did you feel that you needed his  
23 authority to carry that transaction out?

24 A. We relied upon him to perform the business  
25 duties relating to anything contractual because we

1 didn't have the knowledge to do that ourselves.

2 Q. Did you feel that you needed his authority in  
3 order to approve the transaction?

4 MR. WEYTHMAN: Objection. Vague.

5 THE WITNESS: He aided in the  
6 transaction. I'm not sure what you're getting at by  
7 asking about authority.

8 Q. (BY MR. YURCHAK) However you choose to  
9 interpret that word.

10 A. We gave him permission to execute this  
11 transaction.

12 Q. Okay. Did you feel as if you needed his  
13 permission to do so?

14 A. I can't make sense of what you're asking.

15 Q. If, say, John Du Wors said, "I don't like  
16 that transaction, I don't want to do it," would you have  
17 dropped the issue and not proceeded with that  
18 transaction?

19 MR. WEYTHMAN: Objection. Calls for  
20 speculation.

21 Q. (BY MR. YURCHAK) Do you have an answer?

22 A. If he had hypothetically said, "I don't like  
23 this transaction, let's not engage in the transaction,"  
24 I would have taken his advice.

25 Q. Okay. Have you ever taken any action

1 contrary to John Du Wors' advice?

2 A. I can't recall.

3 Q. Is it possible?

4 A. Is it possible that John Du Wors advised us  
5 to do something and we did the opposite?

6 Q. (Nods head affirmatively). Yeah.

7 A. To answer your question, is it possible, it's  
8 possible. Do I recall? I don't recall.

9 (Exhibit No. 10 marked  
10 for identification.)

11 Q. Exhibit 10, I believe, is in front of you.  
12 Do you recognize this document?

13 A. I do.

14 Q. What do you recognize it to be?

15 A. It appears to be the Security Agreement.

16 Q. For what?

17 A. Signed between Sandy Hoover and HPV.

18 Q. Okay. And what do you understand the  
19 function this document serves?

20 MR. WEYTHMAN: Objection. Calls for  
21 legal conclusion.

22 Q. (BY MR. YURCHAK) First of all, let me go  
23 back. Was this document a part of the loan transaction  
24 that occurred between Sandy Hoover and Hunts Point  
25 Ventures?

1 A. That was the intention.

2 Q. What do you mean by that, that it was the  
3 intention? Do you mean that you intended something to  
4 happen but it did not?

5 A. I don't know if it did or didn't because you  
6 haven't gotten there yet.

7 Q. Okay.

8 A. I assume you're leading to something with  
9 this. My understanding of the security agreement was to  
10 provide her a secured note to protect her investment.

11 Q. Okay. And did you authorize that  
12 transaction?

13 A. Yes.

14 Q. And was that something you sought legal  
15 advice for from John Du Wors?

16 A. That was her requirement. That was Sandy  
17 Hoover's requirement regarding any sort of financial  
18 transaction with HPV.

19 Q. Okay. And was that discussed with John Du  
20 Wors?

21 A. Yes.

22 Q. Okay. And can I assume that if the  
23 transaction was executed, that John Du Wors did not  
24 oppose it?

25 A. Yes.

1 Q. Do you see -- what's your understanding of  
2 what a security agreement is?

3 MR. WEYTHMAN: Again, objection. Calls  
4 for legal conclusion.

5 THE WITNESS: To ensure the repayment of  
6 her loan to HPV.

7 Q. (BY MR. YURCHAK) How does it -- how would it  
8 ensure her repayment of the loan to HPV?

9 A. I have no idea. I'm not an attorney. I'm  
10 told that's what it was supposed to do.

11 Q. Did you seek advice as an officer to HPV at  
12 the time this agreement was entered as to what the legal  
13 effect of it would be on HPV?

14 A. Yes.

15 Q. And you sought that advice from John Du Wors?

16 A. Yes.

17 Q. And do you recall, again, what that advice  
18 was with respect to what the legal effect of the  
19 security agreement is, of what legal effect this  
20 security agreement would have?

21 A. Do I recall the conversation?

22 Q. Do you recall the advice of what you  
23 understood, what this security agreement was obligating  
24 -- what you were obligating Hunts Point Ventures to do  
25 under this security agreement?

1 MR. WEYTHMAN: Objection.

2 Unintelligible.

3 THE WITNESS: I suppose the answer to  
4 the question would be yes.

5 Q. (BY MR. YURCHAK) So what did you understand  
6 as far as --

7 A. I understood that Hunts Point Ventures would  
8 be borrowing funds. In exchange, that Sandy Hoover  
9 would be ensured her money be repaid.

10 Q. And, again, how did you understand --

11 A. That she would have first rights to the funds  
12 of repayment.

13 Q. Your understanding was that the security  
14 agreement gave her a right to the funds of repayment?

15 A. At the time of repayment she was assured that  
16 she would be repaid.

17 Q. And I'm simply asking about the mechanics of  
18 how she was to be repaid. Let's assume Hunts Point  
19 Ventures does not repay her because it has no money.  
20 How would she ensure she gets repaid?

21 MR. WEYTHMAN: Objection. Calls for  
22 speculation. Calls for legal conclusion. Impermissible  
23 lay opinion.

24 Q. (BY MR. YURCHAK) And if you'd answer the  
25 question.

1           A.     I assume she could foreclose on her note and  
2     take possession of HPV.

3           Q.     Okay. First, why do you use the word  
4     "assume"?

5           A.     Because, again, I'm not an attorney. I  
6     didn't draft any of this stuff. I simply have an  
7     understanding for what needs to happen, and our attorney  
8     and her attorney were responsible for making it happen.

9           Q.     Who was her attorney?

10          A.     I don't know.

11          Q.     Are you sure she had an attorney?

12          A.     I can't say for sure either way.

13          Q.     Do you feel you have an obligation to know  
14     what agreements are being entered into on behalf of  
15     Hunts Point Ventures?

16                   MR. WEYTHMAN: Objection. Calls for  
17     legal conclusion.

18          Q.     (BY MR. YURCHAK) As a part of your duties as  
19     an officer?

20                   MR. WEYTHMAN: Same objection.

21                   THE WITNESS: I was able to perform at  
22     the best of my knowledge that I had at the time, and  
23     then sought legal guidance or professional guidance in  
24     every area that I wasn't able to make those decisions.

25          Q.     (BY MR. YURCHAK) Were people asking you to do

1 things that you lacked a good awareness of?

2 MR. WEYTHMAN: Objection. Vague.  
3 Unintelligible.

4 THE WITNESS: Yeah. I don't know how to  
5 answer that.

6 Q. (BY MR. YURCHAK) In your response to how  
7 Sandy Hoover gets repaid, you stated that she could be  
8 ensured repayment because she would receive Hunts Point  
9 Ventures; is that correct?

10 A. My understanding of a security agreement is  
11 that it secures your loan, so it's directly tied to any  
12 assets of a corporation.

13 Q. Okay. What's your understanding, then, with  
14 respect to this security agreement and its assets?

15 MR. WEYTHMAN: Objection. Vague.

16 Q. (BY MR. YURCHAK) And with which assets it  
17 would be pledging as security?

18 A. It's not specified, any of the documentation.  
19 It's simply a security agreement securing her loan.

20 MR. WEYTHMAN: Whenever you get a  
21 comfortable chance for a break, it's been about an hour  
22 and a half.

23 MR. YURCHAK: Now's fine.

24 (Recess 2:25 to 2:33 p.m.)

25



1

2

EXAMINATION (Continuing)

3

BY MR. YURCHAK:

4

5

6

Q. So we left off talking about your understanding of what exactly was securing Ms. Hoover's loan.

7

A. Yeah.

8

Q. If you look at paragraph 3 of the first page of Exhibit 10, would you agree that it says, "The company assigns, grants to the secured party security interest in all of its right, title and interest, and into all of its assets, including, but not limited to the assets described in the attached Exhibit A"? What would you understand those -- first, that was a question. Sorry. Would you agree that's what it says?

16

A. Yes.

17

18

Q. What did you understand the assets of the company to be?

19

20

A. Likely it would be the IP that the company holds.

21

22

23

Q. Did you understand at the time this agreement was approved that the company was securing the IP to a \$20,000 loan?

24

25

A. No, because the \$20,000 loan was going to be attached to the original loan, making it a \$120,000

1 loan, which did seem like a reasonable thing to do.

2 Q. Okay. Was -- when was the original \$100,000  
3 loan made?

4 A. I can't give you a date. I don't recall.

5 Q. Was that loan secured?

6 A. The original \$100,000 loan was not secured.

7 Q. Were you successful in securing it?

8 A. Attached to the \$20,000 loan? To the best of  
9 my knowledge, yes.

10 Q. And how did that happen?

11 A. I have no idea. We told our attorneys to do  
12 it, and they did.

13 Q. Were there any board resolutions that  
14 documented that transaction?

15 A. I can't be certain. I believe so.

16 Q. Are you certain that the \$100,000 loan became  
17 a secured loan?

18 MR. WEYTHMAN: Objection. Calls for  
19 legal conclusion. Asked and answered.

20 Q. (BY MR. YURCHAK) Are you certain that it  
21 became a secured loan?

22 A. Yes.

23 Q. What gives you that certainty?

24 A. Well, because our attorneys told us that it  
25 was.

1 Q. Did you ever see any documentation to that  
2 effect?

3 A. I don't -- I don't recall.

4 Q. And if your attorney tells you something, do  
5 you generally believe that what he's telling you is  
6 true?

7 A. Yes.

8 Q. Would you be surprised to learn that the  
9 \$100,000 loan is not secured?

10 MR. WEYTHMAN: Objection.

11 THE WITNESS: No. Because I don't  
12 believe that to be true.

13 Q. (BY MR. YURCHAK) My question was, supposing,  
14 hypothetically, it was not secured, what would your  
15 reaction be?

16 MR. WEYTHMAN: Objection. Calls for  
17 speculation.

18 THE WITNESS: I can't say what my  
19 reaction would be. I don't believe that's the case.

20 Q. (BY MR. YURCHAK) I understand, ma'am. What  
21 if you learned it was the case?

22 MR. WEYTHMAN: Same objection.

23 Q. (BY MR. YURCHAK) How would you react?

24 A. The transaction that was supposed to have  
25 taken place didn't take place.

1 Q. Mm-hm.

2 A. That would be my conclusion.

3 Q. Not conclusion. What would your reaction be  
4 to learn that the \$100,000 loan was not secured, as your  
5 attorneys had told you it had been?

6 A. That would not be acceptable to learn that  
7 was the case.

8 Q. Why would it not be acceptable?

9 A. Because that was the direction given.

10 Q. Would it be unacceptable for any other  
11 reason?

12 A. I don't have a good answer for you.

13 Q. How would you feel with respect to the  
14 corporation were you to learn that you were unable to  
15 secure an additional \$100,000 of debt?

16 MR. WEYTHMAN: Objection. Vague.  
17 Ambiguous.

18 Q. (BY MR. YURCHAK) Are you able to answer?

19 A. I'm not sure what you're asking, if you're  
20 asking me how I might feel or react to learn something  
21 that I haven't learned.

22 Q. As a corporate officer, in your role as a  
23 corporate officer, what would your reaction be to learn  
24 that the \$100,000 hadn't been secured?

25 MR. WEYTHMAN: Objection. Calls for



1 speculation.

2 Q. (BY MR. YURCHAK) In the sense that you have  
3 an interest over the affairs --

4 A. It would be a mistake -- my feeling would be  
5 that it would be a mistake that would need to be  
6 corrected because we assured the creditor that that  
7 would be the case.

8 Q. Okay. So you assured the creditor that her  
9 100,000 would be secured?

10 A. We did.

11 Q. Was that -- what was the reason -- was the  
12 only way to get the creditor to make the loan is if her  
13 interest was secured?

14 MR. WEYTHMAN: Objection. Leading.

15 THE WITNESS: The creditor required her  
16 loan be secured.

17 Q. (BY MR. YURCHAK) Now, you said you were in a  
18 position where you needed to find additional funding for  
19 Hunts Point Ventures at that point in time; is that  
20 right?

21 A. Correct.

22 Q. Did you ever seek out any other sources of  
23 funding other than your mother?

24 A. We discussed plenty of other options, and we  
25 made a decision to choose her loan.

1 Q. What were those other options?

2 A. I don't recall.

3 Q. Do you have an IRA account?

4 A. I do.

5 Q. Was there any discussion about you loaning  
6 money from your IRA account to Hunts Point Ventures?

7 A. Yes.

8 MR. WEYTHMAN: Objection. Calls for  
9 speculation.

10 Q. (BY MR. YURCHAK) Are you able to recall any  
11 other discussions about how to derive funding for Hunts  
12 Point Ventures?

13 A. A traditional means of a loan, from a bank.  
14 Myself and Chad were the two likely, and Sandy as active  
15 people supporting and invested in HPV, we were the  
16 likely sources.

17 Q. Okay.

18 A. That's where the discussion -- that's where  
19 the discussion was.

20 Q. I assume you have a good relationship with  
21 your mother?

22 A. I do.

23 Q. A trusting relationship?

24 A. It is.

25 Q. Did you understand through the security

1 agreement that your mother would have the right to  
2 acquire all of the assets of your corporation if she was  
3 not paid back on her loan?

4 MR. WEYTHMAN: Objection. Assumes facts  
5 not in the record. Calls for legal conclusion.

6 THE WITNESS: I was aware that that was  
7 the nature of the security agreement.

8 Q. (BY MR. YURCHAK) Is that the reason why you  
9 chose your mother from whom to receive funding for Hunts  
10 Point Ventures?

11 MR. WEYTHMAN: Objection. Leading.

12 THE WITNESS: I -- no, I guess, is the  
13 right answer.

14 Q. (BY MR. YURCHAK) No?

15 A. No.

16 Q. In other words, if another individual had  
17 come along, John Doe, and offered to lend 20,000 to  
18 Hunts Point Ventures in exchange for a security  
19 agreement to all of its assets, would you have made that  
20 transaction?

21 MR. WEYTHMAN: Objection. Calls for  
22 speculation.

23 THE WITNESS: It's unlikely.

24 Q. (BY MR. YURCHAK) Why is that?

25 A. She was --

1 Q. Sorry. Let me rephrase. Why is it that you  
2 then made that same transaction except with a person who  
3 was your mother?

4 A. Say that again?

5 Q. Why is it then that you made that transaction  
6 but only with a person who is your mother?

7 A. It had nothing to do with her being my  
8 mother. She made the first loan on the account of  
9 Mark's promises to build a thriving company. Had  
10 nothing to do with our relationship. Had to do with  
11 Mark. She was then the only legitimate creditor to HPV  
12 with proper documentation, so it seemed a natural  
13 course.

14 Q. Was there anything in your mind as to why  
15 additional moneys should be sought from prior creditors  
16 of Hunts Point Ventures with respect to this  
17 transaction?

18 MR. WEYTHMAN: Objection. Vague.

19 THE WITNESS: I'm not sure I understand  
20 what you're asking.

21 Q. (BY MR. YURCHAK) It sounds as if the basis  
22 for why you chose your mother is because she was the  
23 prior creditor?

24 A. Yes, this is true.

25 Q. And I was simply trying to understand, to get



1 a better understanding of why, why her being a prior  
2 creditor should matter.

3 A. Because she was very interested in the  
4 success of HPV. So she was there and available.

5 Q. And did you reach out to any of the other  
6 past creditors of Hunts Point Ventures?

7 A. No.

8 Q. Given your understanding that Hunts Point  
9 Ventures -- given your awareness today that Hunts Point  
10 Ventures was contractually obligated to pay Mark  
11 Phillips \$100,000, did you approach him to seek a loan?

12 A. I don't know that that's true.

13 Q. Now, on the security agreement, we discussed  
14 in Exhibit 9 that the promissory note was dated January  
15 14, 2013; is that correct?

16 A. The secured promissory note is dated January  
17 14th, 2013. Is that what you just said?

18 Q. Yeah. That was our understanding; right?

19 A. Correct.

20 Q. Now, the security agreement, Exhibit 10, did  
21 you see what date there is indicated in the very first  
22 sentence?

23 A. November 19th, 2012.

24 Q. Do you understand why -- and if you look at  
25 the last page of the security agreement, do you see any

1 date there?

2 A. "As of the date and year first written  
3 above."

4 Q. And what would you interpret that to mean,  
5 then?

6 MR. WEYTHMAN: Objection. Calls for  
7 legal conclusion, inadmissible lay opinion, speculation.  
8 Foundation. We still don't know who drafted this.

9 Q. (BY MR. YURCHAK) What would you interpret  
10 that to mean, then?

11 A. It appears that they're referring to the date  
12 on the front of the document.

13 Q. Would your understanding be that this was  
14 executed then on the date on the front of the document?

15 A. I can't be sure. I don't know.

16 Q. According to your understanding of the  
17 document, as a corporate officer, is that your  
18 understanding?

19 MR. WEYTHMAN: Same objections.

20 Q. (BY MR. YURCHAK) And how you read it now?

21 A. It appears from reading this document that  
22 they signed it on November 19th, 2012.

23 Q. Do you recognize the signatures on the last  
24 page?

25 A. I do.

1 Q. Have you had occasion to see either signature  
2 before?

3 A. Yes.

4 Q. Do those signatures on this document  
5 accurately -- or appear in the way that you have seen  
6 these signatures before?

7 A. I recognize them, and they appear to be their  
8 signatures.

9 Q. Of which people?

10 A. Sandy Hoover and Chad Rudkin.

11 Q. Do you have any explanation as to why on the  
12 last page Sandy's name is both typed and handwritten?  
13 Her name, not signature.

14 A. Mm-hm (answers affirmatively).

15 MR. WEYTHMAN: Objection. Calls for  
16 speculation, lack of foundation. We still haven't  
17 established who's drafted the document.

18 Q. (BY MR. YURCHAK) Do you have any explanation  
19 about that?

20 A. I'm not sure what you need to be explained.

21 Q. Why "Sandy" is typewritten and "Hoover" is  
22 not.

23 A. I have no idea. I didn't make this. I don't  
24 know.

25 Q. Do you know who did make it?

1 A. I don't know.

2 Q. Okay. What is your explanation as to why the  
3 security agreement is dated November 19, but the  
4 promissory note is dated January 14?

5 MR. WEYTHMAN: Objection. Calls for  
6 speculation. Lack of foundation.

7 Q. (BY MR. YURCHAK) Do you have any awareness as  
8 to why that was?

9 A. I don't remember. I'm sure there was a valid  
10 reason. I just don't recall.

11 Q. Do you think it's possible to execute a  
12 security agreement without there being a loan in place?

13 A. Objection. Calls for legal conclusion.  
14 Calls for speculation. Impermissible lay opinion.

15 (Exhibit No. 11 marked  
16 for identification.)

17 Q. What do you recognize Exhibit 11 to be?

18 A. It appears to be a printed e-mail.

19 Q. Okay. And who do you see on the very first  
20 page there that the sender -- who is the sender?

21 A. Well, the very top of the document it looks  
22 like that sender is John Du Wors.

23 Q. Do you recognize that e-mail address?

24 A. I don't know.

25 Q. John@Newmanlaw?

1           A.     Looks good to me. I can't say either way. I  
2     don't know.

3           Q.     How would you typically correspond with John  
4     Du Wors?

5           A.     I'd type in "John" and my little field would  
6     populate automatically and I'd send an e-mail.

7           Q.     The "to" line, do you recognize that e-mail  
8     address?

9           A.     I do.

10          Q.     Who's that?

11          A.     Chad Rudkin.

12          Q.     Now, do you -- are you aware -- do you have a  
13     recollection of this being one of the documents that you  
14     organized in order to provide to your attorneys to go to  
15     the receiver?

16          A.     I don't know. I can't say.

17          Q.     Would it help your recollection to see  
18     Exhibit 1?

19          A.     I didn't organize the document to go to the  
20     receiver. I organized the documents for the purpose of  
21     putting them in one place, so I can't answer that  
22     question.

23          Q.     Does this look like one of the documents you  
24     organized to put in one place?

25          A.     I -- I don't know. I can't say for sure.

1 Q. Looking at the e-mails, if we look in the  
2 middle of the page, the e-mail from Michael Spain, do  
3 you know Michael Spain?

4 A. I don't.

5 Q. Does that name sound familiar?

6 A. It rings a bell.

7 Q. In what way?

8 A. Perhaps it's my mother's attorney, but I  
9 would be completely speculating.

10 Q. Okay. Looking at Michael Spain's e-mail, he  
11 writes there, "A secured promissory note and security  
12 agreement for HPV are attached."

13 MR. WEYTHMAN: Objection. Foundation.  
14 We know nothing about this document or this particular  
15 e-mail of the document.

16 Q. (BY MR. YURCHAK) Would you agree that's what  
17 it says?

18 A. That's what I read on this document.

19 Q. And John Du Wors, does it appear to you that  
20 he forwards that e-mail to Chad Rudkin with a comment  
21 that, "We'll get them finalized over the weekend"?

22 A. That's what I read.

23 Q. And you notice that the date is November 23,  
24 2012, on that e-mail?

25 A. I see that.

1 Q. And on page 3 of 14, do you see that there's  
2 a "from" line, Chad Rudkin, and then there's a "to"  
3 address, Sandy@bobandsandy.com. Do you see that?

4 A. I do.

5 Q. Do you recognize the "to" address?

6 A. I do.

7 Q. And who do you recognize that to be?

8 A. To Sandy Hoover.

9 Q. Would I be off base in assuming Bob is her  
10 husband?

11 A. Her deceased other half.

12 Q. And do you see the comment that Chad makes,  
13 "Here's a draft of the note from HPV for you to comment  
14 for review"?

15 MR. WEYTHMAN: Objection. Assumes facts  
16 not in the record. Foundation. Personal knowledge.  
17 Speculation. We don't know that Chad wrote this. He  
18 hasn't established any foundation in the document.

19 Q. (BY MR. YURCHAK) Do you see the writing there  
20 that says, "Here's the draft of the note"?

21 A. I see that.

22 Q. Do you see the date of that e-mail?

23 A. I do.

24 Q. And what is that date?

25 A. Saturday, 1 December, 2012.

1 Q. Do you have any explanation -- what is --  
2 having read that, and looking at the date, would you  
3 assume -- what would your understanding be as to whether  
4 or not those -- the documents that were being discussed,  
5 the promissory note and security agreement, what would  
6 your understanding be as to whether or not those  
7 documents had been executed by Sandy or not as of that  
8 day on December 1st, 2012?

9 MR. WEYTHMAN: Objection. Calls for  
10 speculation. Same lack of foundation.

11 THE WITNESS: Based on the documents I'm  
12 reading in my hand, it appears that they are reviewing  
13 documents.

14 Q. (BY MR. YURCHAK) Is there a reason why you're  
15 not included on these e-mail threads?

16 MR. WEYTHMAN: Objection. Calls for  
17 speculation. No personal knowledge.

18 THE WITNESS: I didn't -- I wasn't  
19 participating in this part of the process.

20 Q. (BY MR. YURCHAK) When you mean "this part of  
21 the process," what do you mean?

22 A. When they were working on the security  
23 agreement, I wasn't participating.

24 Q. Okay. Were you aware of what was happening?

25 A. I was aware that it was happening.



1 Q. How would you define the scope of your role  
2 and what happened?

3 A. "You guys taking care of this?"

4 "Yes."

5 "Great."

6 Q. That's it?

7 A. That's it.

8 Q. And would that be a reason -- would that be  
9 your understanding as to why you would not have been  
10 included in the communications with John Du Wors about  
11 this security agreement?

12 MR. WEYTHMAN: Objection. Calls for  
13 speculation. Same objection to foundation.

14 THE WITNESS: It sounds like a  
15 reasonable thing to assume.

16 Q. (BY MR. YURCHAK) Do you know if you ever  
17 requested to be a part of those communications?

18 A. I don't believe I did.

19 Q. Is there a reason why you chose not to  
20 participate?

21 A. Because we have a life. We had other jobs  
22 and responsibilities, and this was a very small  
23 component of our life.

24 Q. Is that the way you've always viewed Hunts  
25 Point Ventures during the time you were an officer?

1 MR. WEYTHMAN: Objection. Leading.

2 THE WITNESS: I would have to say that  
3 that answer would vary on what given day or week.

4 Q. (BY MR. YURCHAK) What's the reason you chose  
5 to become an officer of Hunts Point Ventures?

6 A. I suppose we were the last men standing.

7 Q. Did anyone ever request that you become an  
8 officer?

9 A. I don't recall.

10 Q. When you say you were the last men standing,  
11 what did you mean by that?

12 A. From the inception of the HPV concept,  
13 throughout its running its course, people have fallen  
14 like flies, and we were the last two people that have  
15 the integrity and ability to do anything with HPV.

16 Q. Was there ever any point at which one of  
17 these people who had dropped like flies reappeared and  
18 expressed an interest to be a part of HPV?

19 A. Funny. So when Mark Phillips got out of jail  
20 and he came to us to be a part of HPV, did that happen?  
21 Yes, that happened.

22 Q. So it sounds as if you describe HPV as being  
23 rather a burden?

24 A. Yeah.

25 Q. Did you ever get any compensation for all the

1 work that you did?

2 A. At the very beginning we received a very  
3 small amount of compensation to help us financially  
4 while Mark was living with us. I had to stay home  
5 because we had small children at home. I wasn't working  
6 at that time.

7 Q. Are you talking about 2010?

8 A. I am. After we became shareholders -- I  
9 don't believe that we did. We had a generalized  
10 agreement between us and our attorney, and our attorney  
11 did not tell us to do this, but our belief was that we  
12 wanted to keep the money in HPV to allow us to go out  
13 and litigate the patents for the purpose of making  
14 money, and when there was money to be had, that was  
15 actually money that was available, not necessary for the  
16 next litigation, then we would compensate ourselves and  
17 pay back shareholders and creditors. Although during  
18 that entire process we were trying to establish who  
19 those people actually were.

20 Q. So why do you think that never happened?

21 A. It was happening. It was in the middle of  
22 happening.

23 Q. How long -- do you recall when John Du Wors  
24 began -- is it correct that John Du Wors was retained to  
25 prosecute the patents?

1 MR. WEYTHMAN: Objection. Calls for  
2 speculation.

3 THE WITNESS: I believe that to be the  
4 case, but I didn't make that choice.

5 Q. (BY MR. YURCHAK) Do you recall when that was?

6 A. Again, I wasn't formally a part of HPV, but  
7 in reviewing documents and e-mails, it appears that he  
8 was asked to do so, I believe, by Mark and Steve in  
9 2010.

10 Q. Okay. And you testified earlier that you  
11 believe there was two settlements obtained by Hunts  
12 Point Ventures; is that correct?

13 A. Yeah.

14 Q. Did you ever receive an explanation from John  
15 Du Wors as to why it wasn't happening?

16 MR. WEYTHMAN: Objection. Leading.  
17 Argumentative.

18 THE WITNESS: We had many conversations,  
19 but there's nothing that I could share with you that  
20 would be specific.

21 Q. (BY MR. YURCHAK) Did you ever express any  
22 frustration that more wasn't happening?

23 A. Yes.

24 Q. How is that -- was that expressed to John Du  
25 Wors?

1 A. Yes.

2 Q. And what was his response?

3 A. I'm not sure I could quote for you. I don't  
4 even have a good summary.

5 Q. Would it seem to you as if he would make  
6 promises?

7 MR. WEYTHMAN: Objection. Leading.

8 THE WITNESS: Hopeful indications of  
9 expected results, maybe.

10 Q. (BY MR. YURCHAK) And you feel you tended to  
11 have gotten that a lot from him?

12 MR. WEYTHMAN: Objection. Leading.

13 THE WITNESS: I'm not sure what I'm  
14 supposed to do with that. Should I just answer that?  
15 Yes. We felt that -- that we were made -- I don't know  
16 if I could say promises, but much conversation was had  
17 around the idea that they would litigate more frequently  
18 and more effectively. And it appeared to us that wasn't  
19 always the case.

20 Q. (BY MR. YURCHAK) Did you have any  
21 understanding as to why, though?

22 A. It was language that I didn't fully  
23 understand, so it's difficult for me to summarize.

24 Q. Do you recall if John Du Wors ever blamed  
25 Mark Phillips for the inability to effectively and more

1 efficiently prosecute the patents?

2 A. Did he ever?

3 Q. Mm-hm.

4 A. Throughout the scope of time that we were a  
5 part of HPV, yes.

6 Q. What would he say about that?

7 A. I'm really summarizing here, and I don't know  
8 how this works legally, so forgive me.

9 Q. That's fine.

10 A. At the point in time that the IP was  
11 purchased, that it wasn't fully owned by HPV to  
12 litigate. There was an outstanding agreement with MOD  
13 that needed to be taken care of. That's the first half.  
14 The second half I understood that Mark Phillips  
15 contacted RIM, putting the ownership of the patent in  
16 question, thus stopping litigation.

17 Q. Those were the two examples that you recall  
18 having been given to you by John Du Wors, as far as  
19 putting blame on Mark for the challenges with  
20 prosecuting the patents?

21 A. Yes.

22 Q. So to be clear, you have a specific  
23 recollection that John Du Wors blamed Mark Phillips for  
24 the issue with the title that was not clear to the IP in  
25 2010?

1 MR. WEYTHMAN: Did you understand the  
2 question?

3 THE WITNESS: I think I do. Would you  
4 like to say that again?

5 Q. (BY MR. YURCHAK) I was just making -- wanting  
6 to make clear for the record that John -- that John Du  
7 Wors told you he was blaming Mark Phillips for the  
8 problems associated with having clear title to the IP in  
9 2010?

10 MR. WEYTHMAN: Objection as ambiguous.  
11 Are you saying that they made communication in 2010, or  
12 the problems were in 2010?

13 MR. YURCHAK: The communication.

14 THE WITNESS: No, that's not true.

15 Q. (BY MR. YURCHAK) So what did John Du Wors  
16 specifically say about Mark having fault for the IP not  
17 being fully owned in 2010?

18 A. Well, I was summarizing my takeaway from  
19 conversations with John Du Wors, so I can't be specific  
20 as to what he said.

21 Q. I understand.

22 A. The conversation wasn't had that John Du Wors  
23 specifically said, "I blame Mark Phillips." However, I  
24 understood that it was because of actions taken by Mark  
25 Phillips in the purchase and sale that led HPV to not be

1 able to litigate the patents.

2 Q. Okay. And is it safe to assume you don't  
3 know what those actions were that Mark Phillips had  
4 taken?

5 A. I think it's safe to say I couldn't get real  
6 technical about it.

7 Q. And you mentioned as another example that  
8 Mark Phillips had contacted RIM? That was a problem?

9 A. Yes.

10 Q. Did John Du Wors inform you that RIM had  
11 instituted a re-examination process against the patents?

12 A. Yes.

13 MR. WEYTHMAN: Objection. Leading.

14 Q. (BY MR. YURCHAK) He had?

15 A. I was aware that there was a re-exam.

16 Q. Were you able to reconcile how RIM taking  
17 that action on the re-exam was Mark's fault?

18 MR. WEYTHMAN: Objection. Leading.

19 Mischaracterizes the witness's testimony.

20 Argumentative.

21 THE WITNESS: I don't recall making that  
22 association.

23 Q. (BY MR. YURCHAK) Sort of jumping around here.  
24 You had mentioned you being the last people standing and  
25 that Mark Phillips came out of prison. Did he approach



1 you at the end of 2012 with respect to understanding  
2 what his status was in Hunts Point Ventures?

3 A. Yes.

4 Q. And if I'm not mistaken, I think some hours  
5 ago you said there was a meeting, meeting at Sandy's  
6 house?

7 A. Yes.

8 Q. Was that the meeting you were talking about  
9 having occurred after his release from prison?

10 A. Yes.

11 Q. What was the purpose of that meeting?

12 A. To see Mark again and reengage and have  
13 discussion about HPV.

14 Q. Okay. And what did Mark request at that  
15 meeting with respect to HPV?

16 A. He requested a certain amount of access to  
17 HPV documents.

18 Q. Was that given to him?

19 A. There was some information shared with him,  
20 specifically the -- the general ledger that I had been  
21 working on. For classification purposes, he was going  
22 to assist me in allocating specific classifications for  
23 transactions, and he was going to help identify those  
24 transactions and prepare past documentation for the  
25 purpose of those transactions to be able to clarify for

1 accounting purposes.

2 Q. Was there any discussion about him being  
3 recognized as a shareholder?

4 A. There was some discussion about that.

5 Q. Okay. And what was the response to that?

6 MR. WEYTHMAN: Objection. Vague.

7 Q. (BY MR. YURCHAK) How did you respond to his  
8 request to become a shareholder?

9 MR. WEYTHMAN: Objection. Assumes facts  
10 not in the record. Mischaracterizes the witness's  
11 testimony. She didn't testify that he made a request.

12 Q. (BY MR. YURCHAK) Did Mark Phillips request to  
13 become a shareholder?

14 A. I don't believe that that actually happened  
15 that -- at that time.

16 Q. What did he -- at any point in time after his  
17 release in 2012, did he request to become a shareholder?

18 A. I can't recall a specific time he requested  
19 to become a shareholder. It was clear that the  
20 intention was to be a part of HPV.

21 Q. Do you know in what way that was intended to  
22 happen, to be a part of HPV?

23 MR. WEYTHMAN: Objection. Ambiguous.  
24 At what point in time, counsel?

25 THE WITNESS: Are you referring to on

1 that day or that day thereafter?

2 Q. (BY MR. YURCHAK) I'm referring to that time  
3 frame, 2012.

4 A. Mark drafted up notes indicating his  
5 interpretation of the conversation and his desires for  
6 HPV.

7 Q. Okay. Do you recall what those notes -- what  
8 -- those notes would intend to have happen with respect  
9 to him and HPV?

10 A. I recall that they were specific and they  
11 identified him with specific titles. I can't tell you  
12 today exactly.

13 Q. And your testimony was that you can't recall  
14 any request being made by Mark to be a shareholder; is  
15 that right?

16 A. I don't remember a specific conversation  
17 where he asked to be a shareholder. Perhaps in those  
18 notes it's possible that he stated that.

19 Q. So after he drafted these notes, what  
20 happened with them?

21 A. He sent them to us to sign.

22 Q. Did you sign them?

23 A. We didn't.

24 Q. And why not? Wait. After you received the  
25 notes to be signed, what was your -- did you first

1 contact John Du Wors to get advice about it?

2 MR. WEYTHMAN: Objection. Leading.

3 THE WITNESS: The notes came in an  
4 e-mail, and I believe the attachment read, "Please read  
5 through and make any appropriate changes."

6 Q. (BY MR. YURCHAK) So what did you do after  
7 getting the e-mail?

8 A. I'm not sure I remember. We did not sign the  
9 notes. I know that it aroused discussion between Chad  
10 and I as to where we were all going to be, what we were  
11 going to do, but I don't recall what we did next.

12 Q. Did you ever talk to John Du Wors about it?

13 A. We did.

14 Q. Did you ever -- what was John Du Wors'  
15 position?

16 A. That, "Let's get together to talk about it."

17 Q. Okay. Do you recall if either of the  
18 officers of Hunts Point Ventures told Mark that they  
19 were considering recognizing him in some way with Hunts  
20 Point Ventures prior to meeting with John Du Wors?

21 MR. WEYTHMAN: Objection. Leading.

22 THE WITNESS: We discussed Mark's  
23 involvement with HPV at every level, but I can't  
24 remember specific times and places of those discussions,  
25 but it did happen around that time frame. So it was on

1 the table for discussion between the three of us.

2 Q. (BY MR. YURCHAK) What do you mean by "every  
3 level"?

4 A. Director, officer. I'm going to go ahead and  
5 assume shareholder, but I don't have direct recollection  
6 of him asking that. Again, it could be in those notes.  
7 But we discussed how Mark would be a part of HPV.

8 Q. Do you know if Chad Rudkin ever told him that  
9 he would follow through on any of those things you just  
10 mentioned?

11 MR. WEYTHMAN: Objection. Calls for  
12 speculation. Lack of foundation. Personal knowledge.

13 Q. (BY MR. YURCHAK) Were you ever present to  
14 witness Chad Rudkin telling Mark Du Wors -- were you  
15 ever present to witness Chad Rudkin telling Mark  
16 Phillips that he had an intent to follow through on  
17 making him an officer or shareholder or director?

18 MR. WEYTHMAN: Objection. Leading.

19 THE WITNESS: It's possible, but I don't  
20 recall.

21 Q. (BY MR. YURCHAK) So when you talked to John  
22 Du Wors about this, what was his position?

23 MR. WEYTHMAN: Objection. Vague.  
24 Ambiguous. What is "this"?

25 THE WITNESS: What I remember of our

1 discussion with John Du Wors was, "Let's get together  
2 and have a meeting."

3 Q. (BY MR. YURCHAK) Okay. Were you present --  
4 okay. Did you guys -- did you, Chad, Mark, or Chad and  
5 Mark, or you and Mark get together with John Du Wors to  
6 have a meeting?

7 A. We did.

8 Q. Who was present?

9 A. Myself, Chad, John Du Wors, and Mark.

10 Q. And what was said at that meeting with  
11 respect to whether Mark Phillips could be recognized?

12 A. Well, the intent of that meeting was to  
13 figure out how to bring us all together. Then we asked  
14 Mark to sign a nondisclosure agreement, and Mark assured  
15 us that he didn't have to because HPV belonged to him.  
16 There was heated discussion and anger and frustration,  
17 and the meeting ended with no resolution.

18 Q. Did John Du Wors ever give a legal opinion as  
19 to whether Mark Phillips could be recognized in Hunts  
20 Point Ventures?

21 MR. WEYTHMAN: Objection. Calls for  
22 speculation.

23 THE WITNESS: Did he give his opinion on  
24 whether Mark could be recognized? I can't -- I don't  
25 recall.

1 Q. (BY MR. YURCHAK) Do you ever recall -- do you  
2 ever recall if Chad Rudkin ever told Mark Phillips he  
3 could not be a part of Hunts Point Ventures because he  
4 was a convicted felon?

5 MR. WEYTHMAN: Objection. Calls for  
6 speculation. Lack of personal knowledge.

7 THE WITNESS: I recall discussion around  
8 the complexity of that issue between Chad, John, myself,  
9 and Mark.

10 Q. (BY MR. YURCHAK) What was your position on  
11 that issue?

12 A. Okay. My takeaway from that was that Mark  
13 may not be a shareholder of HPV. He may just be an  
14 officer and director or hold a title of HPV in an effort  
15 to protect HPV from his criminal background.

16 Q. Okay. How did you form that opinion?

17 A. I can't say.

18 Q. You can't say?

19 A. Not because I don't want to. Because I don't  
20 have a reference point.

21 Q. Do you recall whether or not that may have --  
22 that the reference point to that opinion may have been  
23 John Du Wors?

24 A. Well, and to clarify, I'm not quite sure that  
25 was just an opinion. I think that it was a concern. So

1 it was part of the dialogue to be had in that meeting  
2 that didn't properly take place.

3 Q. Do you know who first raised the concern?

4 A. I think it was always a concern from the time  
5 that Mark was convicted.

6 Q. Okay.

7 A. So I don't recall a particular time and date  
8 when it became a concern on the docket.

9 Q. And, again, at any point in time, can you  
10 recall first who it was that raised that as a concern?

11 MR. WEYTHMAN: Objection. Asked and  
12 answered.

13 THE WITNESS: No.

14 (Exhibit No. 12 marked  
15 for identification.)

16 Q. Going to Exhibit 12, could you please take a  
17 look at Exhibit 12.

18 What do you recognize this Exhibit 12 to be?

19 A. It appears to be a printed e-mail.

20 Q. And, again, do you recognize the e-mail  
21 addresses in the "from" and "to" lines?

22 A. I do.

23 Q. And the date on the e-mail?

24 A. Monday, January 14th.

25 Q. Of 2013?



1 A. 2013.

2 Q. Would you agree that the e-mail states that  
3 -- that it's from John Du Wors, it's addressed to Chad  
4 and Sandy, and he says to "please find the promissory  
5 note and security agreement"?

6 A. That's what it reads.

7 Q. And do you see that there's two attachments  
8 to that e-mail?

9 A. I do.

10 Q. And would you agree that they say "secured  
11 promissory note final," and "security agreement final"?

12 A. Yes, that's what it says.

13 Q. Would you agree that the date on the  
14 promissory note was January 14, 2013?

15 A. On this particular promissory note?

16 Q. Yeah. Of Exhibit 10. Secured promissory  
17 note?

18 A. Exhibit 8?

19 Q. I'm sorry.

20 A. On that particular secured promissory note,  
21 Exhibit 8, the date is January 14th, 2013.

22 Q. Again, do you have an explanation as to why  
23 the document that appears to be attachment called  
24 "Security Agreement" is e-mailed on January 14, 2013,  
25 but dated as of November 19, 2012?

1 MR. WEYTHMAN: Objection. Calls for  
2 speculation. Lack of foundation. Haven't established  
3 the authenticity of the documents.

4 THE WITNESS: I can't say. You'd have  
5 to ask Sandy or Chad.

6 (Exhibit No. 13 marked  
7 for identification.)

8 Q. This is Exhibit 13. And you have Exhibit 13  
9 before you?

10 A. I do.

11 Q. Do you recognize this exhibit?

12 A. It appears to be very similar to my personal  
13 notes.

14 Q. Is that in reference to the other exhibit,  
15 Exhibit 2, I believe?

16 A. How do you mean, "in reference to"?

17 Q. You said, "This looks very similar to my  
18 personal notes." I was trying to understand what you  
19 meant by "personal notes."

20 A. Well, again, these are notes that I took --  
21 these appear to be notes that I took.

22 Q. Okay.

23 A. That I kept. It's a printed copy of  
24 something that resembles my notes.

25 Q. Okay. And I know it's a lot to ask because

1 there's 12 pages, but does it appears as if this is a  
2 true and accurate copy of the personal notes that you  
3 recall having created?

4 A. I can only tell you that it looks very  
5 similar.

6 Q. Were you -- on -- do you notice a date on the  
7 footer of your notes?

8 A. Saturday, January 26, 2013.

9 Q. Is your name present there?

10 A. It is.

11 Q. And, again, would that date correspond to  
12 when these notes were created?

13 A. I can't tell you that for sure. I don't  
14 know.

15 Q. Is that because you testified earlier that  
16 sometimes when you open documents, the document will  
17 update itself automatically with a date?

18 MR. WEYTHMAN: Objection. Leading.  
19 Objection. Mischaracterizes and categorizes the  
20 witness's testimony.

21 THE WITNESS: That's possible that date  
22 was added by an automated date mark.

23 Q. (BY MR. YURCHAK) Would that occur just by  
24 opening the document?

25 A. That's possible.

1 Q. Do you recall what program you used to do  
2 your notes in, computer program?

3 A. Yes, it's a Mac program. It's called Pages.

4 Q. Pages?

5 A. Mm-hm (answers affirmatively).

6 Q. Would you still have an electronic file of  
7 your notes on that Mac?

8 A. Likely.

9 Q. Have you looked anytime recently?

10 A. At these notes?

11 Q. Yeah.

12 A. No.

13 Q. After you created your notes, can you recall  
14 how often you would look at them?

15 A. No.

16 Q. What was the purpose, if you can recall, for  
17 the creation of these notes?

18 A. Very similar to our earlier discussion  
19 regarding my intent to put together a time line of  
20 events to make sense of HPV matters.

21 Q. Okay. If I could direct your attention to  
22 page 3 under "Actionable Items List" -- actually, can we  
23 establish -- do you agree that you authored these notes?

24 A. If these are direct replica of my notes, then  
25 I was the author.

1 MR. YURCHAK: Shall I refer to it as an  
2 exhibit?

3 MR. WEYTHMAN: Please do, actually.  
4 We're not willing to authenticate any documents based on  
5 Mr. Phillips' history of forgery.

6 MR. YURCHAK: Oh.

7 Q. (BY MR. YURCHAK) Okay. So there, under  
8 "Actionable Items Lists" on Exhibit 13, you write  
9 "Secured loan -- to secure asset (IP) from lenders  
10 foreclosing on note."

11 Does that refresh your recollection as to what  
12 you were thinking at the time you created these notes?

13 A. Sure. It refreshes my memory as to that  
14 particular topic.

15 Q. Okay. Do you recall what lenders you're  
16 referring to when you write that?

17 A. I thought we already established that we  
18 hadn't identified exactly who the lenders or creditors,  
19 shareholders were at that time.

20 Q. What did you mean when you said that you need  
21 -- that -- when you wrote, "to secure the asset from  
22 lenders foreclosing on the note"?

23 MR. WEYTHMAN: Objection to foundation.

24 THE WITNESS: I imagine I meant to  
25 secure the asset -- to secure the loan to protect the IP

1 from being foreclosed upon.

2 Q. (BY MR. YURCHAK) Okay. And in 1.2 you  
3 write -- it is written, "How much does loan need to be  
4 to ensure IP security in regards to Jennifer's note?"

5 A. Uh-huh (answers affirmatively).

6 Q. What does that sentence mean?

7 A. Can you ask me the specific question, because  
8 I feel like you're trying to have me put words where  
9 they don't belong.

10 Q. How -- what does that -- what does that  
11 sentence mean when you write, "How much does loan need  
12 to be to ensure IP security in regards to Jennifer's  
13 note?"

14 A. That would be an accounting question.

15 Q. To answer what question specifically?

16 A. Well, we have to assume that Jennifer has a  
17 note or Jennifer doesn't have a legal note. So in both  
18 cases I need to seek advice from our accountants and our  
19 attorneys in regards to if we were to get another loan  
20 and it needed to be secured, is there a certain quantity  
21 that it would need to be if Jennifer's note is valid,  
22 versus if Jennifer's note is not valid. So I was  
23 attempting to write a question to seek more information.

24 Q. Why would you be seeking to ensure IP's  
25 security in regards to Jennifer's note?

1           A.     Why would I be seeking IP security?

2           Q.     Why would you be seeking to ensure IP  
3 security in regards to Jennifer's note?

4           A.     Well, as you can see, we had a bit of an  
5 inclination that there would be a lot of litigation  
6 going on, which appears to be the truth.

7           Q.     Okay. And because of that inclination, what  
8 steps did you try to take with respect to the IP  
9 security?

10          A.     Well, as you can see from the Actionable  
11 Items List, the paragraph talks about reducing our  
12 vulnerability by selling our new business profitability  
13 plan to our creditors and renegotiate creditor notes.  
14 So first we needed to identify who was a creditor. We  
15 needed to identify the status of each  
16 creditor/shareholder/whatever the hell everybody was.  
17 And then we needed to be able to identify what they were  
18 and what the terms are so that we reduce risk in our one  
19 and only asset of our company.

20          Q.     Did you believe that Jennifer's note posed a  
21 risk to the one and only asset in your company?

22                   MR. WEYTHMAN: Objection. Calls for  
23 legal conclusion.

24                   THE WITNESS: We were concerned, based  
25 upon the ambiguity and all the open-ended non-signed

1 documents that existed, that anything could be claimed  
2 at that time.

3 Q. (BY MR. YURCHAK) And the next sentence, it's  
4 written, "Secured loan will have priority, but would a  
5 judge force sale of IP to pay off secured, then  
6 Jennifer?"

7 A. Yeah.

8 Q. Were you seeking a way to create a priority  
9 security interest over other creditors?

10 A. Let's get something straight. We hadn't  
11 established that Jennifer was a valid creditor, nor the  
12 terms of a loan. So I was simply asking questions that  
13 I needed clarification for from people with the proper  
14 professional background. So the question there is would  
15 a secured loan have priority? Or would a judge force  
16 the sale of the IP to pay off the secured note and then  
17 to pay off Jennifer's note? So it's hard to make  
18 assumptions based on questions I was asking.

19 Q. I'm not trying to make assumptions. I'm  
20 trying to get an understanding of what some of the  
21 intent was behind the notes.

22 A. I'll make it real clear what the intent was.  
23 The intent was to protect the business with a whole  
24 bunch of loose, open-ended documents.

25 Q. Did you feel you were protecting the business



1 by making a security agreement of the entire assets to  
2 your mother?

3 MR. WEYTHMAN: Objection.  
4 Argumentative.

5 THE WITNESS: Yes.

6 Q. (BY MR. YURCHAK) Yes?

7 A. Yes. That was the security agreement for the  
8 business.

9 Q. Did you feel you were protecting the business  
10 by making a secure --

11 A. Absolutely.

12 Q. And how so?

13 A. Because the open-ended contracts that did or  
14 did not exist, that could or could not be identified  
15 left a lot of exposure vulnerability to a business. So  
16 we were concerned. Until those loose ends were  
17 tightened up and we could have an understanding for what  
18 they meant and reach agreement with each of those  
19 people, which hadn't been done at the time, we needed to  
20 protect the business.

21 Q. If -- even if it's an unknown, if Jennifer  
22 had a secured note and could have foreclosed on that  
23 note, and that the security interest was against the  
24 assets of the corporation, why would you feel you would  
25 have to protect against that if the corporation entered

1 into such an agreement?

2 MR. WEYTHMAN: Objection. Calls for  
3 speculation. Calls for legal conclusion.

4 THE WITNESS: I heard way too many "ifs"  
5 in that question, and the basis for everything you're  
6 asking revolves around contracts that didn't legally  
7 exist. So we were doing our best to understand those  
8 contracts and reach out to those folks to reach an  
9 understanding. At the same point we needed to protect  
10 the assets of HPV.

11 Q. (BY MR. YURCHAK) Do you recall what you  
12 intended -- what the intent of your -- of the note that  
13 says on 1.2.1, "Enough to argue fraudulent transfer"?  
14 What was the "fraudulent transfer" in reference to?

15 MR. WEYTHMAN: Objection. Vague.

16 THE WITNESS: So you're asking me what  
17 was enough to argue fraudulent transfer? What was that  
18 referring to?

19 Q. (BY MR. YURCHAK) Yeah, do you have -- does  
20 reading that now refresh your recollection as to what  
21 "fraudulent transfer" was in reference to?

22 A. It's all in reference to asking the proper  
23 questions of our accountants and our attorneys about the  
24 security of notes versus notes that exist legally and  
25 notes that are still unidentified.

1 Q. Was it a legal opinion that you followed that  
2 in order to ensure that the assets of the corporation  
3 were protected, that you should make a new security  
4 agreement?

5 MR. WEYTHMAN: Objection. Vague and  
6 ambiguous. Unintelligible.

7 THE WITNESS: I don't recall.

8 Q. (BY MR. YURCHAK) And at 1.3.2, it's written,  
9 "Can we transfer Sandy's note payable to a secured  
10 note?" Would this correspond to what you were saying  
11 earlier about asking your attorneys to transfer the  
12 earlier loan by Ms. Hoover into a secured loan?

13 A. Yes.

14 Q. Do you know why you wrote, then, "Would it be  
15 better to create a new secured note?" "No, needs to be  
16 new value"?

17 MR. WEYTHMAN: Objection. Assumes facts  
18 not in the record. Same foundation objection as  
19 earlier.

20 THE WITNESS: I can only defer to what's  
21 written here, and it says "or would it be better to  
22 create a new secured note?" So there's a question,  
23 "Would it be better to create a new secured note?" And  
24 it appears that the response is, "No, it needs to be of  
25 a new value." So I said that wrong. The question is

1 actually, "Can we transfer Sandy's note payable to a  
2 secured note?" And the response was, "No, it needs to  
3 be of a new value."

4 Q. (BY MR. YURCHAK) And what's your  
5 understanding of why there needs to be new value?

6 A. My understanding is that was the advice from  
7 our accounting team and our legal team.

8 Q. That there needs to be new value in order to  
9 do what?

10 A. To create a secured note we needed to have a  
11 new loan for a new value.

12 Q. Okay. Does that sound to you as if the new  
13 value that would be secured would only be in reference  
14 to the new loan?

15 MR. WEYTHMAN: Objection. Calls for  
16 legal conclusion. Calls for speculation.

17 THE WITNESS: No, I don't think that  
18 that's fair to say.

19 Q. (BY MR. YURCHAK) And why is that?

20 A. Because I know otherwise.

21 Q. And that was because you were told that?

22 A. We sought legal advice and accounting advice  
23 and we were told that the new loan would allow us to  
24 bring in the first loan into that secured note.

25 Q. Do you recall when the first note was set to

1     come due?

2             A.     I don't recall.

3             Q.     Do you recall if there was any additional new  
4     documentation created to reissue or extend that first  
5     loan?

6                     MR. WEYTHMAN:  Objection.  Calls for  
7     speculation.

8                     THE WITNESS:  I don't know.

9             Q.     (BY MR. YURCHAK) You would recognize that in  
10    Exhibits 8 and 11, I think it is, there's no reference  
11    made to any prior loan made by Ms. Hoover?

12            A.     I can't say that I've read through all that.  
13    I will tell you that I understand that there was some  
14    falling back and forth as to how to achieve that.  I was  
15    not a part of that transaction that happened between the  
16    attorneys and Sandy.

17            Q.     On the fourth page and the first line, 2.2,  
18    it talks about, "Rudkin to become majority shareholder,  
19    reduce or eliminate Steve's shares."

20                    Do you recall what that was about?

21            A.     How do we make that happen?

22            Q.     What were you trying to make happen?

23            A.     Steve was going through an insanity moment of  
24    his life, I suppose.  I have no idea what was happening  
25    with him personally, but it appeared to be nothing good.

1 And he needed to alleviate his burden of HPV, and he  
2 needed money.

3 Q. Okay. And how did it come about that Steve  
4 sold his shares to Hunts Point Ventures?

5 A. I don't understand your question. How did it  
6 come about?

7 Q. What were the circumstances surrounding the  
8 reasons for why Steve sold his shares to Hunts Point  
9 Ventures?

10 MR. WEYTHMAN: Objection. Vague.

11 THE WITNESS: Steve faced a lot of  
12 ridicule from us as to his poor performance, and he  
13 couldn't account for the lack of documentation.  
14 Therefore, it became very clear that he needed to step  
15 down.

16 Q. (BY MR. YURCHAK) Okay. Was any of his  
17 conduct as an officer reflected in any of the board  
18 meetings or minutes of Hunts Point Ventures?

19 A. I can't say yes or no to that because I don't  
20 recall. However, just on my personal note, I can't  
21 imagine we would have talked about him in that light, in  
22 our corporate anything.

23 Q. Why is that?

24 A. I suppose I left myself open. Well, I don't  
25 recall what we put into our meeting minutes.

1 Q. How would you describe your relationship with  
2 Steve Schweickert at the time you were both corporate  
3 officers at Hunts Point Ventures?

4 A. Again, I'm not sure how to answer that. We  
5 didn't communicate a lot because he didn't respond a  
6 lot. We reached out to Steve for answers, and we  
7 weren't getting a response. So I don't know how to  
8 characterize a relationship based on that. But that's  
9 what I know.

10 Q. Do you know if Steve had a trusting  
11 relationship with you?

12 MR. WEYTHMAN: Objection. Calls for  
13 speculation. Lack of personal knowledge.

14 THE WITNESS: I can't say.

15 Q. (BY MR. YURCHAK) Do you know if he felt that  
16 you were honorable?

17 MR. WEYTHMAN: Objection. Calls for  
18 speculation. Lack of personal knowledge.

19 THE WITNESS: My interpretation of him  
20 was that he felt we were honorable.

21 Q. (BY MR. YURCHAK) In 2.4 of your -- of Exhibit  
22 13, it's written, "If not, we will foreclose on our  
23 secured loan and he will lose all shares."

24 A. Yeah. That's what it says.

25 Q. What does that mean?

1 A. It means exactly what it says.

2 Q. Could you explain it to me?

3 A. Steve was doing a poor job of managing HPV  
4 business, and so if he wasn't willing to walk away or  
5 step up to the plate and be of assistance, there was  
6 little option for us as a business than to ask him to  
7 step down.

8 Q. Is that what this sentence says, that you  
9 would ask him to step down, or does it say that "We will  
10 foreclose on our secured loan"?

11 A. That's what it says. It says, "We will  
12 foreclose on our secured loan and he will lose his  
13 shares."

14 Q. Right.

15 A. Yes. Was that a potential option? Yes.

16 Q. To foreclose on the loan as being a potential  
17 option?

18 A. Well, HPV couldn't foreclose on the loan.

19 Q. What do you mean by "HPV couldn't foreclose  
20 on the loan"?

21 A. Well, you said "we," so I'm not quite sure  
22 how to clarify what you meant by "we."

23 Q. I didn't say "we." I was just reading off of  
24 what is written there on page 4.

25 A. Those are notes, so it's not concrete. There



1 was discussion around foreclosing on the loan if  
2 necessary. It never came up again. It wasn't  
3 necessary.

4 Q. And that was a potential option, in order to  
5 force out a corporate officer, was to simply foreclose  
6 on the loan knowing the assets would be transferred to a  
7 non-member of Hunts Point Ventures?

8 MR. WEYTHMAN: Objection.  
9 Argumentative.

10 THE WITNESS: It was a note I made in  
11 discussion about options.

12 Q. (BY MR. YURCHAK) And your interpretation of  
13 "we would foreclose," who is "we" in reference to?

14 A. It just says "we." Those are my notes.

15 MR. WEYTHMAN: It's been about an hour  
16 and 20. Can we take a break?

17 MR. YURCHAK: Yeah.

18 (Recess 3:50 to 3:57 p.m.)

19

20 EXAMINATION (Continuing)

21 BY MR. YURCHAK:

22 Q. Going back to Exhibit 13 on page 9, I had a  
23 question about a note that was made. It's the fourth  
24 from the bottom point, reading, "John drafted secured  
25 promissory note for Sandy." Who would John be in

1 reference to in that sentence?

2 A. I can only assume it was John Du Wors, but I  
3 can't be sure.

4 Q. And I was just curious for you to comment.  
5 Would you agree that that statement would seem to mean  
6 that John drafted the secured promissory note for Sandy?

7 A. I don't recall. I remember discussion about  
8 that, so I don't recall if he did or did not.

9 Q. If you had written down that note, would you  
10 tend to recall it -- that was your recollection at the  
11 time you made the note?

12 MR. WEYTHMAN: Objection. Calls for  
13 speculation.

14 THE WITNESS: You have to assume I could  
15 have been presuming.

16 Q. (BY MR. YURCHAK) Okay. On page 6 of those --  
17 of Exhibit 13 in the top little paragraph, mentions a  
18 phone call. If this had been written by you, would that  
19 mean that you made a note of a phone call that you had  
20 with John Du Wors on 9/7/12?

21 MR. WEYTHMAN: Objection. Calls for  
22 speculation.

23 THE WITNESS: That's possible.

24 Q. (BY MR. YURCHAK) Was it your general habit to  
25 make such entries when you made and kept your notes to

1 reflect the activity that was happening on the date that  
2 it happened?

3 A. I occasionally kept notes about conversations  
4 and dated them.

5 Q. Do you have any recollection, reading one,  
6 two, three -- the third point, it says, "Sandy to give  
7 Steve the option of foreclosure or buyout"?

8 A. I have a recollection of it right now.

9 Q. Of what it means? Or what do you have a  
10 recollection of? Of what?

11 A. I have a recollection of -- of working  
12 through a situation and exploring options. I'm not sure  
13 what you're getting at.

14 Q. Does that note give you any recollection as  
15 to what you -- as to what was discussed regarding Sandy  
16 having options with Steve?

17 MR. WEYTHMAN: Objection. Vague.

18 Q. (BY MR. YURCHAK) Any recollection as to what  
19 that meant?

20 A. The recollection is a discussion with John Du  
21 Wors and a conversation where it appears I took notes.

22 Q. Would there be any reason that Sandy would be  
23 able to give Steve options regarding a foreclosure or  
24 buyout?

25 MR. WEYTHMAN: Objection. Calls for

1 speculation. Foundation. Lack of personal knowledge.

2 You can answer if you understand the question.

3 THE WITNESS: I don't know.

4 (Exhibit No. 14 marked

5 for identification.)

6 Q. (BY MR. YURCHAK) Do you recognize Exhibit 14?

7 A. I see that it appears to be a printed e-mail.

8 Q. And do you recognize who the e-mail is from?

9 A. It's from myself.

10 Q. Is that your -- do you recognize your e-mail  
11 address there?

12 A. I do.

13 Q. And do you recall this e-mail -- do you  
14 recall having authored this e-mail?

15 A. I remember sending an e-mail to Mark of this  
16 nature. Whether this is the exact one, I can't promise,  
17 but...

18 Q. Are you in the habit of saving your e-mails  
19 from the past?

20 A. Not in the habit of. It's a practice.  
21 Either do or don't.

22 Q. Is there any factor you consider in terms of  
23 which gets saved and which don't?

24 A. Not a consistent factor. I make a choice  
25 whether to keep them or delete them.

1 Q. Do you recall if you were saving any  
2 communications that you were having with respect to  
3 Hunts Point Ventures' business?

4 A. Just ask me if I recall -- do I recall saving  
5 e-mails?

6 Q. That were related to anything involving Hunts  
7 Point Ventures' business?

8 A. Yes. I recall saving e-mails.

9 Q. Okay. Was that a regular practice to save  
10 all the e-mails that you got or sent with respect to  
11 HPV's business?

12 A. I can't say all, so I suppose the answer's  
13 no.

14 Q. Okay. But you did save e-mails of that  
15 nature; is that correct?

16 A. I did.

17 Q. I was curious just to ask about the  
18 statement -- what does this appear the e-mail was about?

19 A. It appears this is an e-mail follow-up to our  
20 conversation and meeting at Sandy's home.

21 Q. Okay. Was that meeting about Mark trying to  
22 understand what kind of role or status he may have with  
23 Hunts Point Ventures?

24 MR. WEYTHMAN: Objection. Leading.

25 THE WITNESS: It could be.

1 Q. (BY MR. YURCHAK) And you notice the date on  
2 this e-mail?

3 A. Yep.

4 Q. What is that date?

5 A. Tuesday, November 6th, 2012.

6 Q. And do you recall what you meant when you  
7 wrote, "There are a few small things that need to be  
8 ironed out regarding dissolution or transfer shares and  
9 ensure that this in no way appears as a fraudulent  
10 transfer by Steve"?

11 MR. WEYTHMAN: Objection. Foundation.  
12 We haven't established the authenticity of the document.

13 THE WITNESS: I recall all of my  
14 conversation and intention to do the right thing for  
15 HPV, and so if I stated that, then that was to ensure we  
16 were doing things properly.

17 Q. (BY MR. YURCHAK) Is fraudulent transfer, to  
18 you, sort of a legal term or is that something you would  
19 use in your own vernacular?

20 A. That would be something I would only use --  
21 not only. It would be a term that I used when  
22 discussing HPV business.

23 Q. Okay. Do you recall having any conversations  
24 with your attorney, John Du Wors, about fraudulent  
25 transfer of shares by Steve?

1           A.     I recall having discussion with John Du Wors  
2     about ensuring that we didn't do anything that was  
3     inappropriate or fraudulent.

4           Q.     Why was there a concern that -- that  
5     something like this might appear as fraudulent?

6           A.     It's not something like this might appear.  
7     It's simply that we don't have the legal background to  
8     understand how to perform these sorts of tasks for -- or  
9     sales or anything regarding the nature of this  
10    conversation. And so we needed to seek clarification  
11    for all of our actions.

12          Q.     So this is -- if I understood your comment  
13    correctly, is the reference of fraudulent transfer more  
14    in reference to yourself that you want to make sure you  
15    don't do something that may appear fraudulent and that  
16    you would need to first seek the guidance of your  
17    attorney?

18          A.     I think -- I'm not sure how to interpret what  
19    you just said. I think what you're saying is that we  
20    didn't want to take any actions that were fraudulent or  
21    appeared fraudulent. And if that's what you're saying,  
22    yes, that's true.

23          Q.     Okay. And that would be juxtaposed to the  
24    other possible interpretation that there was discussion  
25    that any such transfer might be fraudulent; is that

1 right?

2 A. There wasn't a lot of discussion about  
3 fraudulent transfer. It was simply -- it was -- I don't  
4 know how to say -- all discussion around this topic was  
5 to ensure that we were doing things properly.

6 Q. Okay. In the next sentence, why do you write  
7 that, "We want Joyce's blessing and buy in on this  
8 business maneuver"?

9 MR. WEYTHMAN: Objection. Foundation.  
10 Still haven't established the authenticity of the  
11 document.

12 THE WITNESS: Probably because that's  
13 what I meant.

14 Q. (BY MR. YURCHAK) What did you mean by that?

15 A. I can't recall from this time.

16 Q. This was written in 2012, and we discussed  
17 earlier that Joyce resigned her shares at the end of  
18 2010.

19 A. I understand.

20 Q. And you testified that you met with Joyce in  
21 2012 and she told you she wanted nothing to do with  
22 Hunts Point Ventures?

23 A. Correct.

24 Q. So that's why I'm asking, why would you write  
25 to Mark that you still seek her blessing in buying in on



1 this business maneuver?

2 A. I can't be a hundred percent clear on my  
3 answer for this. I believe that there was dialogue  
4 between Steve and Joyce where Joyce wavered back and  
5 forth of wanting to participate in HPV. And at this  
6 particular moment in time when this document was  
7 written, I don't know on what side of the fence Joyce  
8 was.

9 Q. Are you saying Joyce would change her  
10 position with respect to HPV?

11 A. I am.

12 Q. Okay. So sometimes she wanted to be a part  
13 of HPV?

14 A. I believe so.

15 Q. Did Joyce ever express how she wanted to be a  
16 part of HPV if she no longer was a shareholder?

17 A. Not very well.

18 Q. What do you mean by that?

19 A. She didn't clearly indicate how she wanted to  
20 be a part of HPV.

21 Q. How well do you know Joyce?

22 A. Not very well.

23 Q. How long have you known her?

24 A. I went to a funeral at her home, a memorial  
25 service for a man named Bob. And I can't tell you the

1 date because I don't recall. But that's when I met her.

2 Q. Okay. You don't recall how many years ago  
3 that might be?

4 A. My children were small.

5 Q. That's a nice way to try to remember things;  
6 right?

7 A. It was before HPV. It was after I had kids.  
8 I just don't recall.

9 Q. I have trouble remembering the past as well.

10 MR. WEYTHMAN: Yesterday.

11 MR. YURCHAK: Yesterday as an example.

12 Q. (BY MR. YURCHAK) You mentioned that -- when I  
13 asked you if you'd ever received compensation for Hunts  
14 Point Ventures, I think you said -- I think you used the  
15 term "we" in reference to you and Chad having received  
16 some disbursements which were to be paid against future  
17 earnings in Hunts Point Ventures? Is that a generally  
18 accurate summary?

19 A. Yes.

20 Q. Do you recall what the amount was that --  
21 I'll use the term, "you," received from Hunts Point  
22 Ventures?

23 A. It was in small disbursements in the amounts  
24 of \$2,000, I believe. I don't think the total exceeded  
25 15, maybe 16 total.

1 Q. And after that, after those disbursements,  
2 you never did earn any money from Hunts Point Ventures  
3 as officers; is that right?

4 A. No. We earned it.

5 Q. I'm sure you did.

6 A. Did we receive compensation from HPV? I  
7 can't say never, but I don't believe so.

8 Q. Would that mean that you would owe HPV back  
9 the amount of money that you received in disbursements?

10 A. Oh, no.

11 MR. WEYTHMAN: Objection.  
12 Argumentative.

13 Q. (BY MR. YURCHAK) What was the answer?

14 A. The answer to the question of do we owe that  
15 money back to HPV? No. I believe that HPV owes us  
16 money.

17 Q. And what's that based upon?

18 A. That would be based upon the amount of time  
19 that we put into managing this project.

20 Q. Okay. And have you made any claim for that  
21 to the receiver?

22 A. I don't believe that we did.

23 Q. If you were to guesstimate, how much money do  
24 you think that you're owed?

25 MR. WEYTHMAN: Objection. Calls for

1 speculation.

2 THE WITNESS: I think there are a lot of  
3 ways to do the math on that, and I don't have the  
4 correct answer.

5 Q. (BY MR. YURCHAK) Okay. Were you ever aware  
6 of Chad Rudkin holding Mark Phillips' power of attorney  
7 at any point in time?

8 A. Yes.

9 Q. And how were you aware of that?

10 A. I believe I have it in an e-mail.

11 Q. Was that e-mailed to you directly?

12 A. I don't recall.

13 Q. And why do you think you would have it in an  
14 e-mail?

15 A. Because in scanning documents I have a  
16 recollection of seeing reference to it.

17 Q. Did you have an understanding that you were  
18 also included in that power of attorney?

19 A. Yes. I do have a recollection of that as  
20 well.

21 Q. And what was your recollection?

22 A. When?

23 Q. What is your recollection about you being  
24 included? Were you included as Mark Phillips' agent in  
25 his power of attorney?

1 MR. WEYTHMAN: Objection. Calls for  
2 legal conclusion.

3 THE WITNESS: I remember being named in  
4 a power of attorney in 2010 when he was residing with  
5 us.

6 Q. (BY MR. YURCHAK) Okay. Did you -- were you  
7 ever given any instruction by Mark to do anything under  
8 that power of attorney?

9 A. Not specifically under a power of attorney,  
10 no.

11 Q. Did you get any direction from him to do  
12 anything?

13 A. I helped him to liquidate his accounts by  
14 sort of being his admin assistant.

15 Q. And what did you do in so helping him?

16 A. I believe I sent a few e-mails inquiring  
17 about information that he'd asked me to inquire about,  
18 in terms of what it would take to liquidate those  
19 accounts.

20 Q. Okay. Did he ask anything else of you  
21 besides helping him with those accounts?

22 A. Not that I recall.

23 Q. Do you recall him making requests of Chad  
24 Rudkin to take action under his power of attorney?

25 MR. WEYTHMAN: Objection. Calls for

1 speculation.

2 THE WITNESS: Not that I'm aware of.

3 Q. (BY MR. YURCHAK) Were you ever aware of money  
4 coming in to your personal account that arose from the  
5 activity associated with the power of attorney?

6 A. No.

7 Q. So you're not aware of receiving at any point  
8 money that was owed to Mark Phillips in your personal  
9 accounts?

10 A. I don't recall that.

11 Q. Do you recall in 2010 Chad taking action to  
12 sell or to be involved in the sale of any of Mark's real  
13 estate properties?

14 A. Yes.

15 Q. Did you understand that to be occurring under  
16 power of attorney?

17 MR. WEYTHMAN: Objection. Calls for  
18 speculation.

19 THE WITNESS: I believe that was  
20 performed under a specific power of attorney to sell.

21 Q. (BY MR. YURCHAK) Did Chad ever talk to you  
22 about that?

23 A. Possibly.

24 Q. Did he ever talk to you in general about any  
25 activity he undertook under the power of attorney on

1     behalf of Mark?

2                     MR. WEYTHMAN:   Objection.   Vague.  
3     Ambiguous.

4                     THE WITNESS:   Are you no longer  
5     referring to the sale of the Mosler and you're just  
6     referring to general actions taken?

7             Q.     (BY MR. YURCHAK) Yeah.

8             A.     I don't recall any specific actions taken.

9                     (Exhibit No. 15 marked  
10                    for identification.)

11            Q.     Are you able to identify this document?

12            A.     It reads, "Durable Power of Attorney For  
13     Asset Management," and I can't confirm without looking  
14     at the original, but it looks like a Durable Power of  
15     Attorney.

16            Q.     Does it look -- do you recognize it as being  
17     similar to what you referred to as the original  
18     document?

19            A.     I have no idea.   I couldn't tell you.

20            Q.     Do you recall ever receiving a signed copy of  
21     a -- of Mark's power of attorney?

22            A.     I don't recall.

23                    (Exhibit No. 16 marked  
24                    for identification.)

25            Q.     Okay.   I'll jump back to another question I'd

1 asked some time ago. Exhibit 16, is this a document  
2 that you recognize?

3 A. No, I don't think so.

4 Q. Do you know who Yvonne Phillips is?

5 A. I think it's Mark's sister.

6 Q. And you're currently represented by the firm  
7 of Foster Pepper, if I'm not mistaken?

8 A. Mm-hm (answers affirmatively).

9 Q. In this declaration of Yvonne Phillips, on  
10 page 2, letter "n" and "o" -- first of all, I should  
11 refer to paragraph 2. Yvonne Phillips declares that she  
12 received from the office of Foster Pepper one box  
13 containing the following items.

14 Did you recently provide a box of items, with the  
15 intent that it be turned over to Mark Phillips, to the  
16 offices of Foster Pepper?

17 A. I did.

18 Q. And where had that box been kept?

19 A. It wasn't kept. I simply went through the  
20 house upon all of this litigation to collect up anything  
21 that didn't belong to us and belonged to Mark, and I put  
22 it in a box.

23 Q. Okay. And is there anything remaining in  
24 your house that does belong to Mark?

25 A. Nope.



1 Q. Is there any furniture that may belong to  
2 Mark?

3 MR. WEYTHMAN: Objection. Asked and  
4 answered.

5 Q. (BY MR. YURCHAK) That you still possess?

6 A. No.

7 Q. And I had a question about -- when you look  
8 at this list that's -- of items that's in this  
9 declaration, does this list look like it accurately  
10 reflects the items that were in the box and turned over  
11 to Foster Pepper?

12 A. With a quick scan through it does.

13 Q. So going back to "n" and "o," you identified  
14 a file folder in that box labeled, "LLC Operating  
15 Agreement." Do you have any explanation about why that  
16 file folder was empty?

17 A. I don't have an explanation for anything on  
18 this document.

19 Q. Why is that?

20 A. Because I didn't -- I'm not familiar with  
21 these items other than I collected them and put them in  
22 a box.

23 Q. How long were they in your possession?

24 A. I'd imagine from the time that Mark came into  
25 our home until the time that I put them in the box.

1 Q. Okay. So we're talking around 2010?

2 A. Yeah.

3 Q. And they weren't already in a box?

4 A. Some things were in one of our desk drawers.  
5 I found a pack of cigarettes in a drawer downstairs.

6 Q. How did you know they belonged to Mark?

7 A. Because they didn't belong to us and he  
8 smoked those cigarettes. I essentially just cleansed  
9 through all of our files. I'm fairly organized on  
10 documents, and anything that -- well, to better answer  
11 your question, as I was organizing each HPV stuff, I  
12 believe some of these things were pulled from HPV stuff  
13 to be Mark's stuff, and I think that's why they went  
14 into the box.

15 Q. How did you make that determination with  
16 respect to what was property of HPV and what was  
17 property of Mark?

18 A. I did the best I could with what I knew.

19 Q. Okay. So you don't recognize -- on that file  
20 folder you didn't recognize LLC Operating Agreement as  
21 having anything to do with Hunts Point Ventures?

22 A. I guess not if I didn't put it in Hunts Point  
23 Ventures' box. I put it in Mark's box.

24 Q. Sure. And in the entry below it, under "o,"  
25 the "HP Intellectual Properties," that likewise was an

1 empty file folder?

2 A. I guess so.

3 Q. And if you put it in Mark's box, does that  
4 mean you did not interpret that as having any relevance  
5 or relationship to Hunts Point Ventures?

6 A. It was an empty file folder. There was a  
7 bunch of Mark's office supplies that were there, that  
8 just were in a pile, and there were some empty file  
9 folders, so I scooped them all up together and put them  
10 in the box.

11 Q. How were those two folders labeled?

12 A. I have no idea.

13 Q. You don't remember if it was handwritten or  
14 printed?

15 A. I don't know.

16 Q. But they were labeled as indicated?

17 A. I can't even confirm that. I don't know.

18 Q. And why is that?

19 A. Because I didn't take to memorizing all the  
20 shit I put in the box. I just picked it up and put it  
21 in the box. It wasn't mine. It didn't belong to me. I  
22 didn't know what it was. I didn't recognize it as being  
23 something that we had used with HPV, so I put it in  
24 Mark's box.

25 (Exhibit No. 17 marked

1 for identification.)

2 Q. Have you ever seen Exhibit 17 that's been  
3 placed in front of you before?

4 A. I don't think so.

5 Q. Do you -- in Exhibit 1, this document is  
6 listed as being included in the items that were received  
7 to Foster Pepper from you.

8 A. Okay.

9 Q. Does that help --

10 A. No. I mean --

11 Q. -- to refresh your recollection?

12 A. That's entirely possible. I didn't know each  
13 of those documents by heart, and I don't believe I've  
14 ever seen this.

15 Q. So you're unable to say how you came into  
16 possession of that document?

17 MR. WEYTHMAN: Objection. Assumes facts  
18 not in the record.

19 THE WITNESS: I can't even say I assume  
20 I had possession of this document.

21 MR. YURCHAK: Okay. Maybe we could take  
22 a short break.

23 MR. WEYTHMAN: Sure.

24 (Recess 4:35 to 4:43 p.m.)

25

1

2

(Exhibit No. 18 marked

3

for identification.)

4

EXAMINATION (Continuing)

5

BY MR. YURCHAK:

6

Q. I think I'm just going to ask you about this

7

one last document. Can you identify the document,

8

Exhibit 18?

9

A. It appears to be a general ledger. I'm

10

assuming it came either from one of the many

11

spreadsheets I was working on or -- I don't know if it

12

came from Clark Nuber. I'm not sure.

13

Q. Is this a copy of something that you would

14

ever have provided to Mark Phillips?

15

A. He gave me a key fob at my mom's house that

16

day that we were together in the fall of 2012, and I did

17

give him access to the general ledger I was working on.

18

Q. Okay. I noticed the date on that document to

19

be February of 2013.

20

A. Yeah. I have no idea where this document

21

came from or whose it is or who generated it. I don't

22

know anything about this document, so I have no comment

23

for that date.

24

Q. Is it safe to assume that you had a number of

25

different versions at different points in time?

1           A.     There were different versions, as we were  
2     working to classify transactions.

3           Q.     Okay.

4           A.     But I don't even know that this is one of  
5     them. I mean, I don't know.

6           Q.     Why is that?

7           A.     Well, how would I know?

8           Q.     How would you know if that's one of the  
9     versions?

10          A.     Right.

11          Q.     I guess that's my question to you. Would you  
12     be able to recognize one of the versions that you -- of  
13     the ledger that you had been working on?

14          A.     I definitely could not verify that. I mean,  
15     it looks familiar. There's similar names and  
16     transactions and information that's very familiar, but I  
17     could never say that this was the document I was working  
18     on.

19          Q.     Okay. I'm sorry. Trying to refer back to a  
20     prior exhibit, which were your second set of notes. It  
21     was 13. It was Exhibit 13. Is that the second set of  
22     notes?

23          A.     Thirteen?

24          Q.     If I could refer you to page 9.

25          A.     Mine only goes to five. I may have shuffled

1 it around. I'm going to assume that this part goes to  
2 this. The first line on page 9 is 2010-2, "Mod Lawsuit  
3 Expense."

4 Q. That's correct. So looking at the paragraph,  
5 if you will, below that, starting with "Goal," when you  
6 read through there, to do a joint shareholder consent by  
7 Wednesday, to appoint Mark on the BOD, what is BOD in  
8 reference to?

9 A. Well, you have to put this in context. These  
10 notes were taken November 11th, 2012. These are my notes  
11 from my conversation. It says, "Chad, Mark, Elizabeth  
12 phone conference for purpose of defining past financial  
13 transactions." So it appears we had a meeting with Mark  
14 on the phone to attempt to define "past financial  
15 transactions." And then we made a list of actionable  
16 items from that conversation.

17 Q. Uh-huh.

18 A. Okay.

19 Q. Okay.

20 A. So now moving onto your question. I'm sorry,  
21 your question was? Appoint Mark on the BOD?

22 Q. Yeah.

23 A. And you asked me what "BOD" means?

24 Q. Yeah.

25 A. Board of Directors.

1 Q. Was that one of the actionable items to be  
2 done?

3 A. Well, you have to be careful of saying "be  
4 done." That was an actionable item that we discussed.

5 Q. That was an actionable item that was  
6 discussed on that day, November 11th, 2012?

7 A. Correct.

8 Q. Page 9, down below, "Questions for John."  
9 Looks as if you had some discussion on November 11, and  
10 you needed to follow up with John; is that right?

11 A. Correct.

12 Q. One of those things to follow up on was,  
13 "Mark brings up 5M owed from MOD contract." Do you  
14 recall following up with John about that item?

15 A. I recall the conversation with Mark where he  
16 claims that that's what he believes to be true. And I  
17 recall that we needed to have that discussion, but I  
18 don't recall the actual discussion. And I think that  
19 perhaps it might not have even happened because perhaps  
20 it was going to happen at our meeting that didn't go  
21 well.

22 Q. Do you recall any discussion with John Du  
23 Wors about a five million dollar contract that existed  
24 with Mark as a signee/signor?

25 A. I don't recall that discussion with John.



1 Q. Okay.

2 (Exhibit No. 19 marked  
3 for identification.)

4 Q. (BY MR. YURCHAK) Last exhibit. I usually  
5 like whole numbers, so I may have to find one more to  
6 get to 20, but do you recognize this exhibit?

7 A. Sadly enough, I don't.

8 (Exhibit No. 20 marked  
9 for identification.)

10 Q. Do you recognize Exhibit 20?

11 A. I see that it appears to be a bank statement  
12 from Bank of America, but do I recognize it? I can't  
13 say that I do.

14 Q. Are you -- you stated earlier that you opened  
15 up an account for Hunts Point Ventures, opened up a bank  
16 account for Hunts Point Ventures?

17 A. Chad opened up a bank account for Hunts Point  
18 Ventures.

19 Q. Do you recall who has signing authority on  
20 that account?

21 MR. WEYTHMAN: Objection. Calls for  
22 legal conclusion.

23 THE WITNESS: I don't know.

24 Q. (BY MR. YURCHAK) Did you ever transact any  
25 business through that account on behalf of Hunts Point

1 Ventures?

2 MR. WEYTHMAN: Objection. Vague.

3 THE WITNESS: The simple answer is I  
4 don't recall.

5 Q. (BY MR. YURCHAK) Do you see at the top of  
6 that document the account holders for Hunts Point  
7 Ventures?

8 A. Mm-hm (answers affirmatively). I do.

9 Q. But you don't recognize that account  
10 statement as being from the account for Hunts Point  
11 Ventures; is that correct?

12 A. I'm not sure that I ever even opened Bank of  
13 America envelopes. I think they went to Chad's desk.

14 Q. So with reference to Exhibit 19, did you ever  
15 see this check that is displayed on that exhibit?

16 A. I can't confirm that I have.

17 Q. Have you ever seen checks written by Sandy  
18 Hoover before?

19 A. Yes.

20 Q. Does this check No. 6002 appear to be from  
21 the checks you recall previously that are associated  
22 with Sandy Hoover?

23 MR. WEYTHMAN: Objection. Vague.  
24 Ambiguous.

25 THE WITNESS: It looks like her

1     handwriting.

2           Q.     (BY MR. YURCHAK) Okay. Does the font of her  
3     name and address in the upper left-hand corner look  
4     familiar to you?

5           A.     No.

6           Q.     And do you note in the memo line where it  
7     says "note secured"?

8           A.     I do.

9           Q.     Does that appear to be her handwriting?

10                   MR. WEYTHMAN: Objection. Asks for  
11     expert opinion.

12           Q.     (BY MR. YURCHAK) Do you recognize that as her  
13     handwriting?

14           A.     I recognize the top two lines as her  
15     handwriting and her signature as her handwriting. I  
16     recognize the date as her handwriting. The note looks  
17     very similar, but I couldn't -- I can't say.

18           Q.     And do you -- do you agree that the check's  
19     made out for \$20,000?

20           A.     I do.

21           Q.     And it's made out to Hunts Point Ventures,  
22     Inc.?

23           A.     Yes.

24           Q.     And the date of the check is December 6th of  
25     2012?

1 A. Yes.

2 Q. And on this exhibit, the checking account  
3 number ending in 9321, does that account number  
4 correspond with the bank account statement of Exhibit  
5 20?

6 A. Yes.

7 Q. Does it appear as if \$20,000 was deposited  
8 into the Hunts Point Ventures' bank account of Bank of  
9 America?

10 MR. WEYTHMAN: Objection. Calls for  
11 speculation.

12 Q. (BY MR. YURCHAK) I'm sorry? What was your  
13 answer?

14 A. It appears the deposit for \$20,000 was made.

15 Q. On what day?

16 A. I can't say. It just says "statement  
17 period." Wow, sorry. Posted January 29th.

18 Q. Do you know why the check for Ms. Hoover is  
19 dated on 12/6/12, but deposited on 1/29/13?

20 MR. WEYTHMAN: Objection. Calls for  
21 speculation. Assumes facts not in the record. Lack of  
22 foundation as to both documents.

23 THE WITNESS: I don't know.

24 MR. YURCHAK: I think we can go off the  
25 record. We're done. Thank you.

1 THE COURT REPORTER: Is this going to be  
2 ordered?

3 MR. YURCHAK: (Nods head affirmatively.)  
4 Did you want to review?

5 MR. WEYTHMAN: Please.

6 (Deposition concluded at 4:59 p.m.)

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D E C L A R A T I O N

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I declare under penalty of perjury that  
I have read my within deposition, and the same is true  
and accurate, save and except for the changes and/or  
corrections, if any, as indicated by me on the  
Correction Sheet.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2014,  
  
at \_\_\_\_\_(city/state).

\_\_\_\_\_  
ELIZABETH RUDKIN

KELLIE A. SMITH, CCR, RPR, CRR  
Court Reporter



## 1 C E R T I F I C A T E

2 STATE OF WASHINGTON )  
 ) SS.  
3 COUNTY OF KING )

4 I, the undersigned Washington Certified Court  
Reporter, pursuant to RCW 5.28.010 authorized to  
5 administer oaths and affirmations in and for the State  
of Washington, do hereby certify:

6 That the annexed and foregoing deposition  
consisting of pages 1 through 219 of the testimony of  
7 each witness named herein was taken stenographically  
before me and reduced to typed format under my  
8 direction;

9 I further certify that according to CR 30(e) the  
witness was given the opportunity to examine, read and  
10 sign the deposition after the same was transcribed,  
unless indicated in the record that the review was  
11 waived;

12 I further certify that all objections made at the  
time of said examination to my qualifications or the  
13 manner of taking the deposition or to the conduct of any  
part have been noted by me upon each said deposition;  
14

15 I further certify that I am not a relative or  
employee of any such attorney or counsel, and that I am  
16 not financially interested in the said action or the  
outcome thereof;

17 I further certify that each witness before  
18 examination was by me duly sworn to testify the truth,  
the whole truth and nothing but the truth.

19 I further certify that the deposition, as  
20 transcribed, is a full, true and correct transcript of  
the testimony, including questions and answers, and all  
21 objections, motions, and exceptions of counsel made and  
taken at the time of the foregoing examination and was  
22 prepared pursuant to Washington Administrative Code  
308-14-135, the transcript preparation format  
23 guidelines;

24 I further certify that I am sealing the  
deposition in an envelope with the title of the above  
25 cause and name of the witness visible, and I am



1 delivering the same to the appropriate authority;

2 I further advise you that as a matter of firm  
3 policy, the Stenographic notes of this transcript will  
4 be destroyed three years from the date appearing on this  
Certificate unless notice is received otherwise from any  
party or counsel thereto on or before said date;

5 IN WITNESS WHEREOF, I have hereunto set my hand  
6 and affixed my official seal this 26th day of March,  
2014.

7

8

9

10 KELLIE A. SMITH, CCR, RPR, CRR  
11 Washington State Certified Court  
Reporter  
12 License No. 1950

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25





1	MARK PHILLIPS,	)	
		)	
2	Plaintiff,	)	
		)	
3	vs.	)	No. 13-2-07233-5
		)	SEA
4	CHAD and ELIZABETH RUDKIN,	)	
	STEPHEN JAMES SCHWEICKERT,	)	NOTICE OF READINESS
5	and JOHN and JANE DOES 1	)	OF DEPOSITION FOR
	THROUGH 4,	)	READING AND SIGNING
6		)	
	Defendants.	)	
7			

8 TO: RYLAN S. WEYTHMAN  
 Attorney at Law  
 9 1111 Third Avenue  
 Suite 3400  
 10 Seattle, Washington 98101

11 NOTICE IS HEREBY GIVEN that the transcript of your  
 12 deposition given in the above entitled cause is ready  
 for your reading and signing at MOBURG, SEATON &  
 13 WATKINS, 2033 SIXTH AVENUE, SUITE 826, SEATTLE, WA  
 98121. You must, within 30 days from the date of the  
 14 notice, read and sign the deposition or state in writing  
 your refusal to sign, or state in writing the fact that  
 15 you waive your right to sign. Failing to do so,  
 signature shall be deemed for all purposes waived, and  
 16 your deposition will be sent to the ordering party for  
 retention until time of trial. DATED at Puyallup,  
 17 Washington, this 26th day of March, 2014

18

19 BY: KELLIE A. SMITH, RPR, CRR  
 Moburg, Seaton & Watkins  
 20 Court Reporters (206) 622-3110  
 2033 Sixth Avenue, Suite 826  
 21 Seattle, Washington 98121

22

23 cc: R. Yurchak

24

25

1 MOBURG, SEATON & WATKINS  
COURT REPORTERS  
2 2033 SIXTH AVENUE  
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6 PLEASE MAKE ALL CHANGES OR CORRECTIONS ON THIS SHEET,  
SHOWING PAGE, LINE, AND REASON, IF ANY. SIGN THIS SHEET  
AND SIGN THE ACCOMPANYING SIGNATURE PAGE (DECLARATION).  
7

8 PAGE LINE CORRECTION AND REASON

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ELIZABETH RUDKIN  
Date taken: March 19, 2014

24

25 REPORTER: KELLIE A. SMITH, RPR, CRR





Date: 5-2-14  
To: Reed Yurchak  
Law Office of Reed Yurchak  
40 Lake Bellevue Drive #100  
Bellevue, WA 98005

In Re: Phillips v. Rudkin

Deposition(s) of: Elizabeth Rudkin 3-19-14

\_\_\_\_ Enclosed is your transcript for review. Make changes on the correction sheet, sign the correction sheet and signature page and return both pages to Moburg Seaton & Watkins within thirty days.

\_\_\_\_ An E-Transcript has been transmitted to you and we are enclosing Exhibits Nos. \_\_\_\_\_.

\_XX\_ Enclosed is the original transcript(s) of the above-named deponent(s) for your retention until time of trial.

\_\_\_\_ Deponent(s) waived the right to read and sign.

\_\_\_\_ Signature page/correction sheet has not been received.

\_XX\_ Signature page/correction sheet is enclosed.

Sincerely,  
Moburg, Seaton & Watkins

By: Kellie Smith

Cc: Rylan Weythman

March 19, 2014

PHILLIPS vs. RUDKIN

Elizabeth Rudkin

Page 224

1 MOBURG, SEATON & WATKINS  
 2 COURT REPORTERS  
 2033 SIXTH AVENUE  
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 3 SEATTLE, WA 98121  
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5

PLEASE MAKE ALL CHANGES OR CORRECTIONS ON THIS SHEET,  
 6 SHOWING PAGE, LINE, AND REASON, IF ANY. SIGN THIS SHEET  
 AND SIGN THE ACCOMPANYING SIGNATURE PAGE (DECLARATION).

7

8	PAGE	LINE	CORRECTION AND REASON
9	37	9	Replace "with" with "without" due to
10			obvious mistatement.
11	112	10	Remove "to" as error.
12	117	14-15	Replace "documents on that" with
13			"document's authentic" as error.
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22	/s/Elizabeth A. Rudkin, 4-25-2014		
23	ELIZABETH RUDKIN		
24	Date taken: March 19, 2014		
25	REPORTER:	KELLIE A. SMITH, RPR, CRR	

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March 19, 2014

PHILLIPS vs. RUDKIN

Elizabeth Rudkin

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1 D E C L A R A T I O N

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4

5 I declare under penalty of perjury that  
6 I have read my within deposition, and the same is true  
7 and accurate, save and except for the changes and/or  
8 corrections, if any, as indicated by me on the  
9 Correction Sheet.

10

11 Dated this 25th day of April, 2014,

12

13 at Bonney Lake, Washington.

14

15

16

17 /s/Elizabeth A. Rudkin

18 ELIZABETH RUDKIN

19

20

21

22

23

24 KELLIE A. SMITH, CCR, RPR, CRR

25 Court Reporter